BEFORE THE DIRECTOR

DEPARTMENT OF CONSUMER AFFAIRS

BUREAU FOR PRIVATE POSTSECONDARY EDUCATION

STATE OF CALIFORNIA

In the Matter of the Accusation Against:

EDISON TRUCK AND BUS DRIVING SCHOOL, INC.,

EDISON D. FREIRE,

TONNIE P. FREIRE,

MIRELLA C. FREIRE,

Respondents.

Case No. 1002304

OAH No. 2019011190

DECISION

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the

Director of the Department of Consumer Affairs as the Decision in the above entitled matter.

The Decision shall become effective ______.

DATED: _____

RYAN MARCROFT

Deputy Director, Legal Affairs

Department of Consumer Affairs

1	XAVIER BECERRA				
2	Attorney General of California ARMANDO ZAMBRANO				
3	Supervising Deputy Attorney General ELYSE M. DAVIDSON Deputy Attorney General State Bar No. 285842				
4					
5	300 So. Spring Street, Suite 1702 Los Angeles, CA 90013				
6	Telephone: (213) 269-6273 Facsimile: (916) 731-2126				
7	Attorneys for Complainant				
8	BEFORE THE				
9	DEPARTMENT OF CONSUMER AFFAIRS FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION				
10	STATE OF CALIFORNIA				
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13	In the Matter of the Accusation Against:	Case No. 1002304			
14	EDISON TRUCK AND BUS DRIVING SCHOOL, INC., EDISON D. FREIRE,	OAH No. 2019011190			
15	TONNIE P. FREIRE, MIRELLA C. FREIRE	STIPULATED SETTLEMENT AND DISCIPLINARY ORDER			
16	2024 North Durfee Ave South El Monte, CA 91733	DISCIFLINAR I ORDER			
17	Institution No. 1937251				
18	Respondent.				
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22		EED by and between the parties to the above-			
23	entitled proceedings that the following matters are true:				
24	PARTIES				
25	1. Dr. Michael Marion, Jr. ("Complainant") is the Chief of the Bureau for Private				
26	Postsecondary Education ("Bureau"). He brought this action solely in his official capacity and is				
27	represented in this matter by Xavier Becerra, Attorney General of the State of California, by				
28	Elyse M. Davidson, Deputy Attorney General.				
		1 STIDLIL ATED SETTLEMENT (1002204)			
	l	STIPULATED SETTLEMENT (1002304)			

1	2. Respondent Edison Truck and Bus Driving School, Inc., Edison D. Freire, Tonnie P.		
2	Freire, Mirella C. Freire ("Respondent") is represented in this proceeding by attorney Gregory		
3	Paul Benton, whose address is: 223 S. Glendora Ave. Suite 207, Glendora, CA 91741.		
4	JURISDICTION		
5	3. On or about January 4, 1999, the Bureau issued a Full Approval to Operate Institution		
6	Number 1937251 to Respondent Edison Truck and Bus Driving School, Inc., Edison D. Freire,		
7	Tonnie P. Freire, Mirella C. Freire. An Approval to Operate a Non-Accredited Institution was in		
8	full force and effect at all times relevant to the charges brought in Accusation No. 1002304 and		
9	will expire on June 25, 2024, unless renewed.		
10	4. A copy of Accusation No. 1002304 is attached as exhibit A and incorporated herein		
11	by reference.		
12	ADVISEMENT AND WAIVERS		
13	5. Respondent has carefully read, fully discussed with counsel, and understands the		
14	charges and allegations in Accusation No. 1002304. Respondent has also carefully read, fully		
15	discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary		
16	Order.		
17	6. Respondent is fully aware of its legal rights in this matter, including the right to a		
18	hearing on the charges and allegations in the Accusation; the right to confront and cross-examine		
19	the witnesses against them; the right to present evidence and to testify on its own behalf; the right		
20	to the issuance of subpoenas to compel the attendance of witnesses and the production of		
21	documents; the right to reconsideration and court review of an adverse decision; and all other		
22	rights accorded by the California Administrative Procedure Act and other applicable laws.		
23	7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and		
24	every right set forth above.		
25	<u>CULPABILITY</u>		
26	8. Respondent admits the truth of each and every charge and allegation in Accusation		
27	No. 1002304.		
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	STIPULATED SETTLEMENT (1002304)		

9. Respondent agrees that its Approval to Operate a Non-Accredited Institution is subject to discipline and they agree to be bound by the Director's probationary terms as set forth in the Disciplinary Order below.

CONTINGENCY

10. This stipulation shall be subject to approval by the Director of the Department of 5 Consumer Affairs or the Director's designee. Respondent understands and agrees that counsel for 6 7 Complainant and the staff of the Bureau for Private Postsecondary Education may communicate directly with the Director and staff of the Department of Consumer Affairs regarding this 8 9 stipulation and settlement, without notice to or participation by Respondent or its counsel. By signing the stipulation, Respondent understands and agrees that they may not withdraw its 10 agreement or seek to rescind the stipulation prior to the time the Director considers and acts upon 11 it. If the Director fails to adopt this stipulation as the Decision and Order, the Stipulated 12 Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall 13 14 be inadmissible in any legal action between the parties, and the Director shall not be disqualified from further action by having considered this matter. 15

16 11. The parties understand and agree that Portable Document Format (PDF) and facsimile
17 copies of this Stipulated Settlement and Disciplinary Order, including PDF and facsimile
18 signatures thereto, shall have the same force and effect as the originals.

19 12. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an
 integrated writing representing the complete, final, and exclusive embodiment of their agreement.
 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary
 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a
 writing executed by an authorized representative of each of the parties.

13. In consideration of the foregoing admissions and stipulations, the parties agree that
the Director may, without further notice or formal proceeding, issue and enter the following
Disciplinary Order:

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1	DISCIPLINARY ORDER		
2	IT IS HEREBY ORDERED that the Approval to Operate a Private Postsecondary Non-		
3	Accredited Institution (Institution Code 1937251) issued to Respondent Edison Truck and Bus		
4	Driving School, Inc., Edison D. Freire, Tonnie P. Freire, Mirella C. Freire is revoked. However,		
5	the revocation is stayed and Respondent is placed on probation for one (1) year on the following		
6	terms and conditions.		
7	Severability Clause. Each condition of probation contained herein is a separate and		
8	distinct condition. If any condition of this Order, or any application thereof, is declared		
9	unenforceable in whole, in part, or to any extent, the remainder of this Order, and all other		
10	applications thereof, shall not be affected. Each condition of this Order shall separately be valid		
11	and enforceable to the fullest extent permitted by law.		
12	1. Obey All Laws		
13	Respondent shall obey all federal, state and local laws and regulations governing the		
14	operation of a private postsecondary educational institution in California. Respondent shall		
15	submit, in writing, a full detailed account of any and all violations of the law to the Bureau within		
16	five (5) days of discovery.		
17	CRIMINAL COURT ORDERS: If respondent is under criminal court orders, including		
18	probation or parole, and the order is violated, this shall be deemed a violation of these probation		
19	conditions, and may result in the filing of an Accusation and/or Petition to Revoke Probation.		
20	2. Compliance with Probation and Quarterly Reporting		
21	Respondent shall fully comply with the terms and conditions of probation established by		
22	the Bureau and shall cooperate with representatives of the Bureau in its monitoring and		
23	investigation of the respondent's compliance with probation. Respondent, within ten (10) days of		
24	completion of the quarter, shall submit quarterly written reports to the Bureau on a Quarterly		
25	Report of Compliance form obtained from the Bureau.		
26	3. Personal Appearances		
27	Upon reasonable notice by the Bureau, Respondent shall report to and make personal		
28	appearances at times and locations as the Bureau may direct.		
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	STIPULATED SETTLEMENT (1002304)		

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Notification of Address and Telephone Number Change(s)

Respondent shall notify the Bureau, in writing, within five (5) days of a change of name, title, physical home address, email address, or telephone number of each person, as defined in 3 section 94855 of the Code, who owns or controls 25% or more of the stock or an interest in of the 4 institution and, to the extent applicable, each general partner, officer, corporate director, corporate 5 member or any other person who exercises substantial control over the institution's management 6 or policies. 7

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5. **Notification to Prospective Students**

9 When currently soliciting or enrolling (or re-enrolling) a student for any program, Respondent shall provide notification of this action to each current or prospective student prior to 10 accepting their enrollment, and to those students who were enrolled at the time of the conduct that 11 is the subject of this action as directed by the Bureau. This notification shall include a copy of the 12 Accusation, Statement of Issues, Stipulated Settlement, or Disciplinary Decision (whichever 13 14 applies).

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6. **Student Roster**

Within 15 days of the effective date of this Decision, and with the Quarterly Reports 16 thereafter, provide to the Bureau the names, addresses, phone numbers, email addresses, and the 17 programs in which they are or were enrolled, of all persons who are currently or were students of 18 the institution within 60 days prior to the effective date of the Decision, and those students who 19 were enrolled at the time of the conduct that is the subject of this action. 20

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7. **Instruction Requirements and Limitations**

During probation, Respondent shall provide approved instruction in the State of California. 22 If Respondent is not providing instruction, the period of probation shall be tolled during that time. 23

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8. **Record Storage**

Within 5 days of the effective date of this Decision, provide the Bureau with the location of 25 the repository for all records as they are required to be maintained pursuant to Title 5, California 26 Code of Regulations, section 71930. 27

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Maintenance of Current and Active Approval to Operate

Respondent shall, at all times while on probation, maintain a current and active approval to operate with the Bureau including any period during which approval is suspended or probation is tolled.

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10. Comply With Citations

Respondent shall comply with all final orders resulting from citations issued by the Bureau.

11. Cost Recovery Requirements

Respondent shall pay to the Bureau its costs of investigation and enforcement in the amount
of \$8,022.98 no later than 30 days after the effective date of the Decision and Order. Such costs
shall be payable to the Bureau and are to be paid regardless of whether the probation is tolled.
Failure to pay such costs shall be considered a violation of probation.

12 Except as provided above, the Bureau shall not renew the Approval to Operate of any13 respondent who has failed to pay all the costs as directed in a Decision.

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12. Violation of Probation

15 If Respondent violates probation in any respect, the Bureau, after giving respondent notice 16 and opportunity to be heard, may revoke probation and carry out the disciplinary order which was 17 stayed. If an Accusation or a Petition to Revoke Probation is filed against respondent during 18 probation, the Bureau shall have continuing jurisdiction until the matter is final, and the period of 19 probation shall be extended, and respondent shall comply with all probation conditions, until the 20 matter is final.

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13. Future Approvals to Operate

If Respondent subsequently obtains other approvals to operate during the course of this
probationary order, this Decision shall remain in full force and effect until the probationary period
is successfully terminated. Future approvals shall not be granted, however, unless Respondent is
currently in compliance with all of the terms and conditions of probation.

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14. Comply with All Accreditation Standards

As applicable, Respondent shall comply with all standards set by its accreditor in order to maintain its accreditation. Respondent shall submit to the Bureau, in writing, a full detailed

account of any and all actions taken by any accrediting agency against Respondent regarding any
 institution operated by Respondent, including an order to show cause, or conditions or restrictions
 placed on accreditation, within five (5) days of occurrence.

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15. Completion of Probation

Upon successful completion of probation, Respondent's approval to operate will be fully restored.

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16. Operations Auditor/Billing Auditor

8 Within 45 days of the effective date of this Decision, respondent shall submit to the Bureau
9 for prior approval, the name and qualifications of an auditor who is experienced in operations or
10 accounting practices for educational institutions, who has agreed to serve as an operations auditor
11 /billing auditor. The auditor shall (1) be a California-licensed certified public accountant or public
12 accountant with a clear and current license; and (2) have no prior or current business,

professional, personal or other relationship with respondent, or any former owner, director, orofficer of respondent institution.

Once approved, the auditor shall submit to the Bureau or its designee a plan by which 15 respondent's operations shall be audited. Auditing shall consist of at least one hour per month of 16 face to face meetings with respondent and shall continue during the entire probationary period. 17 While such face to face meetings may include a director or employee of the institution not listed 18 as having ownership or control, at least one person listed as having ownership or control shall 19 participate in each such meeting. The respondent shall provide the auditor with a copy of this 20Decision and access to respondent's fiscal and/or student records. Respondent shall obtain any 21 necessary student releases to enable the auditor to review records and to make direct contact with 22 students. Respondent shall execute a release authorizing the auditor to divulge any information 23 24 that the Bureau may request. It shall be respondent's responsibility to assure that the auditor submits written reports to the Bureau on a quarterly basis verifying that auditing has taken place 25 and providing an evaluation of respondent's performance. 26

27 Respondent shall notify all current and potential students of any term or condition of
28 probation that will affect the confidentiality of their records (such as this condition, which

requires an operations auditor /billing auditor). Such notifications shall be signed by each student 1 prior to continuing or beginning enrollment. 2

If the auditor quits or is otherwise no longer available, respondent shall notify the Bureau within 10 days and get approval from the Bureau for a new auditor within 30 days. If no new auditor is approved within 30 days, respondent shall not operate until a new auditor has been approved by the Bureau. During this period of non-operation, probation will be tolled and will not 6 commence again until the period of non-operation is completed. Respondent shall pay all costs associated with this auditing requirement. Failure to pay these costs shall be considered a 8 9 violation of probation.

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ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully 11 discussed it with my attorney, Mr. Gregory Paul Benton. I understand the stipulation and the 12 effect it will have on my Approval to Operate a Non-Accredited Institution. I enter into this 13 Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree 14 to be bound by the Decision and Order of the Director of the Department of Consumer Affairs. 15

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DATED: 11-9-19

EDISON TRUCK AND BUS DRIVING SCHOOL, INC., EDISON D. FREIRE, TONNIE P. FREIRE, MIRELLA C. FREIRE Respondent

I have read and fully discussed with Respondent Edison Truck and Bus Driving School, 21 Inc., Edison D. Freire, Tonnie P. Freire, Mirella C. Freire the terms and conditions and other 22 matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form 23 and content. 24 11-2-2019 DATED: 25 GREGORY PAUL BENTON 26 Attorney for Respondent

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DATED: 11-08-19

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EDISON TRUCK AND BUS DRIVING SCHOOL, INC., EDISON D. FREIRE, TONNIE P. FREIRE, MIRELLA C. FREIRE Respondent

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24	and content.		
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26	5 GREGORY PAUL BENTON Attorney for Respondent		
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	STIPULATED SETTLEMENT (1002304)	

1	EN	DORSEMENT	
2	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully		
3	submitted for consideration by the Directo	r of the Department of Consumer Affairs.	
4	DATED 44/00/2040		
5	DATED:11/08/2019	Respectfully submitted,	
6		XAVIER BECERRA Attorney General of California ARMANDO ZAMBRANO	
7		Supervising Deputy Attorney General	
8		Clype Davidson	
9 10		ELYSE M. DAVIDSON Deputy Attorney General Attorneys for Complainant	
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		STIPULATED SETTLEMENT (1002304)	