BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY · GAVIN NEWSOM, GOVERNOR

DEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION P.O. Box 980818, West Sacramento, CA 95798-0818

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APPEAL OF CITATION INFORMAL CONFERENCE DECISION: CITATION AFFIRMED

January 3, 2020

Marlene Chao, Owner Ramé Academy 971 N. Main Street, Suite 9B Salinas, CA, 93906

Date of Issuance	Citation Number	Institution Code		
January 3, 2020	1920096	Unapproved		

On November 15, 2019, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1920096 (Citation) against Marlene Chao, Owner of Ramé Academy (Institution). In attendance were Yvette Johnson, Administrative Chief, and Marlene Chao, Owner and Julius Smith, CEO of Gran Phinal'e Apprenticeship Academy.

Pursuant to Business and Professions Code, section148; California Education Code (CEC), section 94944; and Title 5 of California Code of Regulations (5, CCR), section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1920096.

It is the decision of the Administrative Chief that on December 12, 2019, Citation No. 1920096 is <u>affirmed</u> for the following reason(s):

➤ No new substantive facts were presented at the conference.

VIOLATION CODE SECTIONS

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

1. **Violation:**

CEC Section 94886. Approval to Operate Required

"Except as exempted in Article 4 (commencing with Section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter."

CEC Section 94817.5. Approved to Operate or Approved

"Approved to operate" or "approved" means that an institution has received authorization pursuant to this chapter to offer to the public and to provide postsecondary educational programs."

CEC Section 94868. To Offer to the Public

"To offer to the public" means to advertise, publicize, solicit, or recruit."

CEC Section 94869. To Operate

"To operate" means to establish, keep, or maintain any facility or location in this state where, or from which, or through which, postsecondary educational programs are provided."

On February 6, 2019, Bureau staff reviewed the Institution's website, www.rameacademy.com and found the Institution's offers two (2) apprenticeship programs: one (1) for Barbering, and one (1) for Cosmetology. The Institution's website did not include any information regarding pricing for the programs.

Bureau staff spoke with the Owner of the Institution, who confirmed the Institution's apprenticeship programs were sponsored by Gran Phinale Barbering and Cosmetology Apprenticeship Academy (GPBCAA). The Owner agreed to send a copy of the agreement with GPBCAA to the Bureau, along with additional information about the program.

On February 6, 2019, February 12, 2019, and February 20, 2019, Bureau staff emailed the Institution's Owner requesting the information discussed during the February 6, 2019 conversation.

On March 4, 2019, Bureau staff contacted the owner of GPBCAA who confirmed his institution was sponsoring the apprenticeship programs offered by the Institution and sent a letter to the Bureau to confirm the sponsorship.

On March 21, 2019, Bureau staff spoke with the Owner of the Institution who confirmed the charges for the apprenticeship programs were \$3500.00 each. The amount exceeds the \$2,500.00 maximum charge allowed without requiring Bureau approval.

The Owner of the Institution emailed the Bureau confirming the price for the educational programs offered and supplied a sample enrollment agreement that clearly identifies the charge of \$3,500.00 per educational program.

As of September 27, 2019, the Bureau has not received an Application for an Approval to Operate or been verified as exempt.

Order of Abatement:

The Bureau orders that the Institution cease to operate as a private postsecondary educational institution, unless the Institution qualifies for an exemption under CEC section 94874. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media, including www.rameacademy.com, and any other websites not identified here that are associated with the Institution, until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service numbers including, but not limited to, (831) 760-2719, that are associated with the Institution until such time as an approval to operate is obtained from the Bureau. To comply with the Order of Abatement the Institution must submit a school closure plan to the Bureau pursuant to California Education Code section 94926. The Institution must provide a roster of each student currently enrolled at the Institution. The roster must include the names of the students, their contact information (including phone number, email address, and physical address), the programs in which they are enrolled, the amount paid for the programs.

Assessment of Fine

The fine for this violation is \$50,000.00

TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$50,000.00

ORDER OF ABATEMENT

The Bureau orders that you comply with the orders described in the 'Violation Code Sections' of this document and submit evidence of compliance within <u>30 days</u> from the date of this decision.

PENALTY - ASSESSMENT OF A FINE

Payment of the administrative fine is due within 30 days from the date of this decision. Please complete the Payment of Fine form. Payment must be made to the Bureau by check, or money order. Please include the citation number on the payment of the fine assessment. Payment of the administrative fine shall not constitute an admission of the violation(s) charged and shall be represented as satisfactory resolution of the matter for purposes of public disclosure. Payments may be mailed to:

Gabriella Perez, Discipline Citation Program Bureau for Private Postsecondary Education 1747 N. Market Blvd., Suite 225 Sacramento, CA 95834

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this affirmed Citation. If you did not initially request an Administrative Hearing within 30 days from when the original citation was issued, you can no longer request one.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This affirmed Citation is effective on January 3, 2020. The order of abatement and payment are due by **February 2, 2020.**

Failure to abate the violation or to pay the administrative fine within the time allowed is grounds for denial of an application for an approval to operate or discipline. The Bureau will promptly take all appropriate action to enforce the Affirmed 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	decision	or	desire	further	information,	please	contac
Gabriel	la Per	ez, C	litation An	alyst, at (91	6) 5	74-8969	or a	it Gabri	ella.Pere	ez@dca.ca.gov	7.	

Christina Villanueva	Date
Discipline Manager	

Enclosures

- Payment of Fine
- Declaration of Service by Certified and First-Class Mail