

#### Bureau for Private Postsecondary Education 1747 N. Market Blvd. Ste 225 Sacramento, CA 95834 P.O. Box 980818, West Sacramento, CA 95798-0818 P (916) 574-8900 F (916) 263-1897 www.bppe.ca.gov

DEPARTMENT OF CONSUMER AFFAIRS

# APPEAL OF CITATION INFORMAL CONFERENCE DECISION: CITATION MODIFIED

December 27, 2021

Susan Zech, President/CEO American Academy of Dramatic Arts 1336 N. La Brea Avenue Los Angeles, CA 90028

Date of Issuance	Citation Number	Institution Code
December 27, 2021	2122079	64417925

On December 9, 2021, an informal telephone conference was held in the matter of Citation: Order of Abatement No. 2122079 (Citation) against Susan Zech, President/CEO of American Academy of Dramatic Arts (Institution). In attendance were Clarisa Serrato-Chavez, Enforcement Chief, Linh T. Nguyen, Department of Consumer Affairs Legal Counsel, Susan Zech, President/CEO, Kathering Lee Carey, Attorney, and Dan Deshurley, VP of Operations.

Pursuant to Business and Professions Code, section 125.9; California Education Code, section 94936; and Title 5 of the California Code of Regulations, section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 2122079.

It is the decision of the Enforcement Chief that on December 14, 2021, Citation No. 2122079 is modified and makes the following change(s):

# **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:**

# 5, CCR Section 74006(a) and (b) - Annual Fee

"(a) An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. (b) An institution shall pay its annual fee in addition to any other applicable fees.

# CEC Section 94930.5 (g)- Fee Schedule

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

# **CEC Section 94931(b)- Late Payment**

"(b) A fee that is not paid on or before the  $90^{th}$  calendar day after the due date for payment of the fee shall be subject to a 35 percent late payment penalty fee."

The Institution has failed to pay its annual fee for calendar year 2021.

On May 5, 2021, the Institution was notified, Invoice # 900357722, via mail at, 1336 N. La Brea Avenue, Los Angeles, CA 90028, stating that the annual fee for calendar year 2021 was due on June 1, 2021.

On July 15, 2021, the Institution was notified, Invoice # 900359451, via mail at, 1336 N. La Brea Avenue, Los Angeles, CA 90028, stating that the annual fee for calendar year 2021 was due on June 1, 2021.

On September 15, 2021, the Institution was notified, Invoice # 900359451, via mail at, 1336 N. La Brea Avenue, Los Angeles, CA 90028, stating that the annual fee for calendar year 2021 was due on June 1, 2021.

As of October 14, 2021, the Bureau has not received the annual fee from the Institution.

#### **Order of Abatement:**

The Bureau orders the Institution to submit its annual fees for calendar year 2021 in accordance with 5, CCR section 74006(a)(b) and CEC section 94930.5(g). In addition, the Institution must pay all late payment penalty fees.

Reason for modification: New substantive facts were presented at the conference.

# **New Order of Abatement:**

The Bureau orders the Institution to submit its annual fees for calendar year 2021 in accordance with 5, CCR section 74006(a)(b) and CEC section 94930.5(g).

#### **Assessment of Fine**

The fine for this violation is \$00.00

# **TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$00.00**

#### **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.

#### APPEAL OF CITATION

You *do*, however, have the right to appeal this affirmed or modified Citation. You *do*, however, have the right to appeal this affirmed or modified Citation through an Administrative Hearing. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed <u>Withdrawal – Request for Administrative Hearing</u> within <u>30 Days</u> of the date of this decision.

#### **EFFECTIVE DATE OF CITATION**

This modified Citation is effective on **December 27, 2021**. The Order of Abatement is due by **January 26, 2022**.

Failure to abate the violation 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 Modified 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 contact Cheryl Lardizabal, Citation Analyst, at (916) 574-7427 or at Cheryl.Lardizabal@dca.ca.gov.

"Original Signature on File"	"12/27/2021"
Christina Villanueva Discipline Manager	Date

#### **Enclosures**

- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail