

### Bureau for Private Postsecondary Education 2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833 P.O. Box 980818, West Sacramento, CA 95798-0818 P (916) 431-6959 F (916) 263-1897 www.bppe.ca.gov



# CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Learn Academy, LLC. Learn Academy 704 J Street San Diego, CA 92101

INSTITUTION CODE: Unapproved CITATION NUMBER: 1718053

CITATION ISSUANCE/SERVICE DATE: July 16, 2018

**DUE DATE: August 15, 2018 FINE AMOUNT: \$ 75,000.00** 

ORDER OF ABATEMENT INCLUDED: YES

Christina Villanueva, issues this Citation: Assessment of Fine and Order of Abatement (Citation) in her official capacity as Discipline Manager for the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

# **CITATION**

A Citation is hereby issued to Learn Academy, LLC., Owner of Learn Academy (Institution) located at 704 J Street, San Diego, CA 92101, pursuant to Business and Professions Code section 125.9 and 149; California Education Code (CEC) section 94944; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violation(s) described below.

#### BACKGROUND

On September 27, 2016, the Bureau received an anonymous tip that Learn Academy was operating a private postsecondary educational institution without the Bureau's approval.

On October 13, 2016, review of the Institution's website, <u>www.learnacademy.org</u>, revealed that the Institution was offering the public "Ruby on Rails" and "JavaScript" programs for a tuition of \$11,000.

On October 25, 2016, the Bureau sent the Institution an Unapproved Institution letter (UA Letter) to ordering them to cease operating; submit evidence of compliance to the Bureau within 14 days; and to immediately contact the Bureau's Closed School Unit.

On November 7, 2016, Bureau staff conducted a telephone conference with C. K., Institution Cofounder, and confirmed with C.K. that the Institution continued to operate unapproved after receiving the Bureau's UA Letter. Bureau staff again instructed the Institution to cease all operations pending Bureau approval.

On November 30, 2016, the Bureau received the Institution's Application for Approval to Operate an Institution Non-Accredited.

On December 5, 2016, the Bureau sent the Institution an acknowledgment letter regarding the receipt of the application. The letter also informed the school that per section 94886, "... 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." The Institution is operating without approval and is in violation of CEC section 94886.

On February 3, 2017, Bureau staff conducted a conference call with C.K., MC, and M.T. M.T. is an associate of the Institution's team who helped the Institution to prepare and submit the Application for Approval to Operate an Institution Non-Accredited. M.T. insisted that the Institution had received permission from the Bureau's Licensing Unit to operate while the application was in process. The Institution had nothing in writing from the Bureau that affirmed the alleged permission to operate. Bureau staff again informed the Institution to cease operations until the Application for Approval to Operate an Institution Non-Accredited was approved by the Bureau.

On June 26, 2017, Bureau staff traveled to San Diego to conduct an unannounced visit at the Institution and discovered that the Institution was no longer operating at 3808 Ray Street, San Diego, CA 92101 and moved to 704 J Street, San Diego, CA 92101. At that location Bureau staff noticed signage for the Institution on the front window and front door of the building. Upon entering the building, they saw additional signage and collected a promotional postcard from a table display. There were classrooms located on the second floor of the structure. A minimum of six students were observed to be in attendance, and receiving instruction in two of those classrooms.

On April 17, 2018, Bureau staff visited the Institution's website and confirmed that Institution is currently offering the "Ruby on Rails" and "JavaScript" programs. The advertising lists the new program sessions dates as May 29, 2018 through September 14, 2018, and July 30, 2018 through November 16, 2018. The price for these programs is offered at the price of \$12,500.00.

The Institution is conducting business as a private postsecondary educational institution at 704 J Street, San Diego, CA 92101, and is not exempt from the provisions of the California Private Postsecondary Education Act. The Institution advertises at least two programs that cost \$12,500 each. As such, the Institution falls under the definition of a private postsecondary educational institution under CEC section 94858. Despite the Bureau's requests for compliance and/or to cease operation as a private postsecondary educational institution, the Institution has ignored such requests and knowingly continues to operate without Bureau approval.

On April 17, 2018, during the review of the Institution's website (<u>www.learnacademy.org</u>), Bureau staff found that the Institution is representing itself as having the Bureau's approval to operate.

# VIOLATION(S)

# 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 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 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 94868. To Offer to the Public

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

# CEC 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."

# **CEC 94902. General Enrollment Requirements**

- (a) A student shall enroll solely by means of executing an enrollment agreement. The enrollment agreement shall be signed by the student and by an authorized employee of the institution.
- (b) An enrollment agreement is not enforceable unless all of the following requirements are met:
- (1) The student has received the institution's catalog and School Performance Fact Sheet prior to signing the enrollment agreement.
- (2) At the time of the execution of the enrollment agreement, the institution held a valid approval to operate.
- (3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the Student Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the Student Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.

  (c) A student shall receive a copy of the signed enrollment agreement, in writing or electronically, regardless of whether total charges are paid by the student.

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On October 25, 2016, the Bureau sent an Unapproved Institution letter (UA Letter) to the Institution and ordered the Institution to cease operating; submit evidence of compliance to the Bureau within 14 days; and to immediately contact the Bureau's closed school unit.

On November 7, 2016, Bureau staff conducted a telephone conference with C.K, Co-founder of the

Institution, and confirmed with C.K. that the Institution continued to operate unapproved after receiving the Bureau's UA Letter. On November 30, 2016, the Bureau received Institution's Application for Approval to Operate an Institution Non-Accredited.

On December 5, 2016, the Bureau sent the Institution an acknowledgment letter regarding the receipt of the application. The letter also informed the school that per section 94886, "... 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." The Institution is operating without approval and is in violation of CEC section 94886.

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On April 17, 2018, during the review of the Institution's website (<u>www.learnacademy.org</u>), staff found that the Institution is representing itself as having the Bureau's approval to operate.

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

The Bureau orders that the Institution cease to operate as a private postsecondary educational institution. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media (including <a href="http://www.learnacademy.org">http://www.learnacademy.org</a>) and any other websites not listed 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 for (619) 940-7848 and any other telephone numbers 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 provide a refund to all students enrolled at the school prior to receiving an approval to operate from the Bureau as the Enrollment Agreements signed by the students are not enforceable since the school does not have a valid approval to operate.

To comply with the Order of Abatement the Institution must submit a school closure plan to the Bureau pursuant to California Education Code 94926 and 94927.5. The institution must provide a roster of each student currently enrolled at the Institution. The roster must include the name of the student, their contact information (including phone number, email address, and physical address),

the program in which they were enrolled, the date of enrollment, the amount paid for the program, and the amount the student was refunded.

# **Assessment of Fine**

The fine for this violation is \$75,000.00

# **TOTAL ADMINISTRATIVE FINE DUE: \$75,000.00**

# ASSESSMENT OF A FINE

In accordance with CEC section 94944; and 5, CCR section 75020(b), the Bureau hereby orders this assessment of a fine in the amount of \$75,000.00 for the violations described above. Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.

#### COMPLIANCE WITH ORDER OF ABATEMENT

In accordance with the provisions of 5, CCR section 75020 (b) the Bureau hereby issues the order(s) of abatement described above. In accordance with Business and Professions Code Section 149, the Bureau may disconnect any telephone service numbers used by an unapproved Institution. **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.

## **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 <u>30 days</u> 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 **August 15, 2018,** 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 **July 16**, **2018**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **August 15**, **2018**. 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:

Gurinder Sandhu, 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 Gurinder Sandhu, Citation Analyst, at 916-431-6940 or Gurinder.sandhu@dca.ca.gov.

Christina Villanueva Discipline Manager 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 Waiver of Appeal
- > Declaration of Service by Certified and First-Class Mail