



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Nicolette Rankin, Owner
Arena Education Inc.
1038 Pleasantview Avenue
Venice, CA 90291

INSTITUTION CODE: Unapproved

CITATION NUMBER: 1819109

CITATION ISSUANCE/SERVICE DATE: February 7, 2019

DUE DATE: March 9, 2019

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 Nicolette Rankin, Owner of Arena Education Inc. (Institution) located at 1038 Pleasantview Avenue, Venice, CA 90291 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 May 2, 2018, the Bureau received an anonymous complaint alleging the Institution was advertising private post-secondary education courses in California and charging more than \$2,500.

On May 3, 2018, the Bureau searched the Institution's website, www.Arena.org, and confirmed the Institution was advertising private post-secondary education courses, ranging in cost from \$5,000 to \$12,500.

On August 17, 2018 the Bureau searched the California Secretary of State Business Entity database and found documentation dated May 25, 2018, showing a filing for a name change from Silverspoon Education, Inc. to Arena Education Inc. The business is registered in Delaware and lists a physical address of 1038 Pleasantview Avenue, Venice, CA 90291.

The Bureau determined the Institution is conducting business as a private postsecondary education institution at 1038 Pleasantview Avenue, Venice, CA 90291 based on the review of the offering and advertising of private post-secondary education courses on the Institution's website, www.Arena.org.

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.	<p><u>Violation:</u> CEC 94886. Approval to Operate Required <i>“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.”</i></p> <p>CEC 94817.5. Approved to Operate or Approved <i>“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.”</i></p> <p>CEC 94868. To Offer to the Public <i>“To offer to the public” means to advertise, publicize, solicit, or recruit.”</i></p> <p>CEC 94869. To Operate <i>“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.”</i></p> <p>On May 3, 2018, during the course of investigation, Bureau staff discovered that the Institution is advertising private post-secondary education courses, ranging in costs from \$5,000- \$12,500. The Institution advertises private post-secondary educational courses on its website at www.Arena.org</p> <p>Based on the Bureau’s investigation, the Institution is conducting business in California as a private postsecondary education institution at 1038 Pleasantview Avenue, Venice, CA 90291. The Institution is not exempt from the provisions of the California Private Postsecondary Act. The Institution advertises Digital marketing and Leadership courses on its website at www.Arena.org charging a minimum of \$5,000. As such, the Institution falls under the definition of a private postsecondary educational institution under CEC section 94858.</p> <p>As of February 7, 2019, the Institution continues to operate as an unapproved private postsecondary education institution.</p> <p><u>Order of Abatement:</u> The Bureau orders that the Institution cease to operate as a private postsecondary education institution. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media, including the www.Arena.org Internet web site 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 (800) 881-27362 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</p>

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 \$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 30 days 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 **March 9, 2019**, 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 **February 7, 2019**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by, **March 9, 2019** 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