



APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION AFFIRMED

January 23, 2020

Tradecraft Group LLC, Owner
 Tradecraft
 100 Broadway Street
 San Francisco, CA 94111

| Date of Issuance | Citation Number | Institution Code |
|------------------|-----------------|------------------|
| January 23, 2020 | 1920075 | Unapproved |

On January 9, 2020, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1920075 (Citation) against Tradecraft Group, LLC, Owner of Tradecraft (Institution). In attendance were Beth Danielson, Enforcement Chief; Douglas Smith, DCA Legal Counsel, Russell Klusas, Owner, and Keith Zakarin, Attorney.

Pursuant to Business and Professions Code, Section 148; 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. 1920075.

It is the decision of the Enforcement Chief that on January 10, 2020, Citation No. 1920075 is affirmed 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. |
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| 1. | <p><u>Violation:</u> CEC Section 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 Section 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> |

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 April 25, 2016 Bureau staff mailed a letter to the Institution informing them they were required to obtain an approval to operate from the Bureau in order to continue offering educational programs to the public.

On July 13, 2016, Bureau staff conducted a visit at the Institution located at 150 Minna Street, San Francisco, CA 94105. The Institution’s Owner indicated the Institution had been in operation since January 2014, and that the school moved frequently. The Owner stated that the Institution was planning to submit an Application for Approval to Operate an Institution Non-Accredited for Bureau approval and that there were approximately 30 students enrolled in the Product Design and Website Marketing programs.

On November 8, 2018, Bureau staff found that the Institution was listed to be operating at 100 Broadway Street, San Francisco, CA 94111. Additionally, an address at 150 Minna Street, San Francisco, CA 94105, was also located through DataSF.

Bureau staff review the Institution’s website, www.tradecraft.com, and found the Institution offers educational programs to the public for a charge of \$14,000.00.

On December 13, 2018, Bureau staff visited the Institution at 100 Broadway Street, San Francisco, CA 94111, and witnessed students were present. The Institution’s Director confirmed the Institution was in operation at the Broadway address for approximately two (2) years.

On December 20, 2018, Bureau staff spoke to the Owner and stated he would send the Bureau information regarding the business and an outline of the Institution’s operations demonstrating how the Institution does not require Bureau approval. As of May 29, 2019, the Bureau has not received the outline of the Institution’s operations.

As of September 9, 2019, the Bureau has not received an Application for an Approval to Operate.

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 <http://www.tradecraft.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 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

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| programs. |
| <u>Assessment of Fine</u> The fine for this violation is \$75,000.00 |
| TOTAL AFFIRMED ADMINISTRATIVE FINE DUE: <u>\$75,000.00</u> |

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 30 days 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:

Gabiella 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. You *do*, however, have the right to appeal this affirmed 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 Affirmed Citation you must withdraw your initial request for an Administrative Hearing. Please complete and mail the enclosed Withdrawal - Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This affirmed Citation is effective on January 23, 2020. The order of abatement and payment are due by **February 22, 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 contact Gabriella Perez, Citation Analyst, at (916) 574-8969 or at Gabriella.Perez@dca.ca.gov.

Christina Villanueva
Discipline Manager

Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail