



Bureau for Private Postsecondary Education
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APPEAL OF CITATION INFORMAL CONFERENCE

DECISION: CITATION AFFIRMED

December 23, 2015

Kush Patel and Ned Ruggeri
App Academy- Hash Map Labs
1061 North Market Street #4
San Francisco, CA 94103

Date of Issuance	Citation Number	Institution Code
December 23, 2015	1516032	unapproved

On December 15, 2015 an informal telephone conference was scheduled in the matter of Citation: Assessment of Fine and Order of Abatement No. 1516032 (Citation) against Kush Pate and Ned Ruggeri, owners of App Academy- Hash Map Labs. In attendance were Yvette Johnson, Enforcement Chief, Mina Hamilton, DCA legal, Kush Patel and Ned Ruggeri, Owners.

Pursuant to Business and Professions Code, §125.9; California Education Code, §94936; and Title 5 of the California Code of Regulations, §75020 and §75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1516032.

It is the decision of the Enforcement Chief that on December 23, 2015 Citation No. 1516032 is affirmed for the following reason(s):

- Institution has continued to operate without Bureau approval
- No new substantive facts were presented at the conference.

VIOLATION CODE SECTIONS

#	The California Education Code (CEC) and the California Code of Regulations (CCR). Below you will find the section(s) you are charged with violating.
1.	<p>AFFIRMED Violation: 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>On 3/20/15, the Bureau received a complaint alleging App Academy – Hash Map Labs, Inc. (Institution) located at 1061 North Market Street #4, San Francisco, CA 94103 was operating a private postsecondary institution that did not have Bureau approval.</p> <p>On 1/21/14, Bureau staff mailed the “Operating Educational Institution without Proper Approval” letter to Ned Ruggeri (Ruggeri) and Kush Patel (Patel), owners of App Academy – Hash Map Labs, Inc. via certified and regular mail.</p> <p>On 2/9/15, Bureau staff mailed another “Operating Educational Institution without Proper Approval” letter to Ruggeri and Patel via certified and regular mail. The letter stated that the Bureau has evidence that App Academy – Hash Map Labs, Inc. is advertising as a private postsecondary educational institution. It also stated that App Academy – Hash Map Labs, Inc. must cease operations until it is approved by the Bureau. The institution was to submit an application for approval to operate within thirty days of the date of the letter.</p> <p>On 4/20/15, Bureau staff conducted an unannounced visit to the institution. Bureau staff met with owners Ruggeri and Patel. Both Ruggeri and Patel admitted to receiving the “Operating Educational Institution without Proper Approval” letters previously sent by the Bureau.</p> <p>Bureau staff observed a lecture in progress, with 45-50 students in attendance as the institution was operating. Bureau staff reminded Ruggeri and Patel that the institution needed an approval to operate.</p> <p>On 4/27/15, the Bureau received an Approval to Operate application from App Academy – Hash Map Labs, Inc. On 4/28/15, the Bureau mailed Ruggeri a letter confirming receipt of the Approval to Operate application and a reminder that a private postsecondary institution may not operate without obtaining an approval to operate from the Bureau.</p> <p>On 4/29/15, the Bureau mailed Ruggeri a letter informing him that the application was incomplete, and listed items missing. The letter also advised that failure to provide this information would result in the denial of the application.</p> <p>On 5/15/15, the City of San Francisco Planning Department issued a Notice of Enforcement (NOE) ordering to cease and desist the use of the building as a postsecondary educational institution as the institution was operating on a property permitted for business office use only, a violation of the City</p>

of San Francisco Planning Code Section 171.

The investigation and supporting evidence reveals that App Academy – Hash Map Labs, Inc. is operating without Bureau approval. App Academy – Hash Map Labs, Inc. continues to maintain a website at appacademy.io and advertise courses for a deposit of \$5000. App Academy – Hash Map Labs, Inc. has failed to comply with CEC 94886.

Order of Abatement:

The Bureau orders that the institution cease to operate immediately until such time that an approval to operate has been obtained from the Bureau. In accordance with CEC 94926, the institution must file a school closure plan with the Bureau.

Assessment of Fine

The fine for this violation is \$50,000.00

THE TOTAL AFFIRMED 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 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:

Jody Wright, Discipline Citation Program
Bureau for Private Postsecondary Education
2535 Capitol Oaks Drive, Suite 400
Sacramento, CA 95833

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, *only if* you initially requested one within 30 days from the issuance date of the original 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 December 23, 2015. The order of abatement and payment are due by **January 22, 2016**. 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 Jody Wright, Enforcement Analyst, at (916) 431-6940 or at Jody.Wright@dca.ca.gov.



YVETTE JOHNSON
ENFORCEMENT CHIEF

December 23, 2015
Date

Enclosures

- Payment of Fine – Affirmed Citation