**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: Dan Giove
Dubspot
6605 Hollywood Blvd #110
Los Angeles, California 90028

**INSTITUTION CODE: Unapproved**
**CITATION NUMBER: 1617006**
**CITATION ISSUANCE/SERVICE DATE: July 18, 2016**
**DUE DATE: August 17, 2016**
**FINE AMOUNT: $ 50,000.00**
**ORDER OF ABATEMENT INCLUDED:** YES

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

## CITATION

A Citation is hereby issued to Dan Giove, Owner of Dubspot (Institution) located at 6605 Hollywood Blvd #110, Los Angeles, California 90028 pursuant to Business and Professions Code section 148; California Education Code (CEC) §94944; and Title 5 of the California Code of Regulations (5 CCR) §75020 for the violation(s) described below.

## VIOLATION

| # | The California Education Code (CEC) and the California Code of Regulations (CCR). Below you will find the code section(s) of law you are charged with violating. |
|---|---|
| 1. | **Violation:**<br>CEC 94886. Approval to Operate Required<br>*"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."*<br><br>CEC 94817.5 Approved to Operate or Approved<br>*"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."*

On September 17, 2014, the Bureau received an anonymous tip alleging that the Institution is not approved to operate by the Bureau. This tip was transferred to the Department of Consumer Affairs, Complaint Resolution Program (CRP). CRP staff found the Institution to be operating unapproved.

On March 19, 2015, CRP staff mailed a letter to the Institution ordering it to cease operating, submit evidence of compliance to the Bureau within 14 days, and immediately contact the Bureau's Closed Schools Unit.

On April 21, 2015, the Bureau received an Enforcement Referral from CRP, requesting further investigation.

On May 15, 2015, Bureau staff verified that the Institution is advertising music related courses in Los Angeles, California and online from its website at www.dubspot.com. The courses cost up to $11,171.25, and the completion of a course results in a certificate of completion. Bureau staff also confirmed that the Institution had enrolled students in its online and in person programs.

On May 20, 2015, Bureau staff mailed a letter to the Institution requesting the Institution to provide evidence of exemption or contact the Bureau by June 4, 2015. Bureau staff did not receive a response from the Institution.

On June 10, 2015, Bureau staff contacted the Institution's owner, Dan Giove (Giove) by phone at the Institutions phone number of 1-877-382-7768 and notified Giove that an approval to operate the Institution is required. Giove was advised to contact the Closed Schools Unit immediately, to which he agreed.

On June 11, 2015, Bureau staff requested from Giove a list and contact information of students currently enrolled in the Los Angeles campus and in the online courses.

To date, Giove has not contacted the Closed Schools Unit or provided the requested documentation to the Bureau.

Based on the Bureau's investigation, the Institution is conducting business as a private postsecondary educational institution online and at 6515 Sunset Boulevard, Los Angeles, CA 90028, and is not exempt from the provisions of the California Private Postsecondary Education Act. The Institution advertises at least seven music programs costing up to $11,171.25. 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 operations as a private postsecondary educational institution, the Institution has ignored such requests and knowingly continues to operate without approval.

**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 Internet web sites), until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service numbers 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 94926.<br><br>**Assessment of Fine**<br><br>The fine for this violation is $50,000.00 |
| | **TOTAL ADMINISTRATIVE FINE DUE: $50,000.00** |

ASSESSMENT OF A FINE

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.**

ORDER OF ABATEMENT

In accordance with the provisions of CEC Section 94936 and 5 CCR Section 75020 the Bureau hereby issues the order(s) of abatement described above. **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.**

BACKGROUND

On April 21, 2015, the Bureau received an Enforcement Referral from DCA's Complaint Resolution Program, requesting that the Bureau follow up on a tip that the Institution was operating without Bureau approval. During the course of the Bureau's investigation, Bureau staff confirmed that the Institution has not obtained the Bureau's approval to operate. Furthermore, Bureau staff determined that the Institution charges up to $11,171.25 per program and is operating in Los Angeles, California and online. Additionally, the Institution failed to submit evidence of exemption to the Bureau or contact the Closed Schools Unit. Yet, the Bureau has discovered that the Institution continues to advertise and operate despite not having an approval to operate from the Bureau.

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 **August 17, 2016**, 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 18, 2016.** Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **August 17, 2016**. 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:**

Jody Wright, 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 Jody Wright, Enforcement Analyst, at 916-431-6940 or Jody.Wright@dca.ca.gov.

July 18, 2016

**Elainea Shotwell**
**Enforcement 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