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8 **BEFORE THE**
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case Number BPPE25-0454

13 **INSEAD SAN FRANCISCO HUB FOR**
14 **BUSINESS INNOVATION (INSEAD S.F.**
15 **HUB)**

224 Townsend Street
San Francisco, CA 94107

16 **Institution Code Number 85210411**

ACCUSATION

17 Respondent.

18 **PARTIES**

19 1. Deborah Cochrane (Complainant) brings this Accusation solely in her official
20 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
21 Consumer Affairs.

22 2. On or about November 1, 2019, the Bureau for Private Postsecondary Education
23 issued Approval to Operate Institution Code Number 85210411 to INSEAD San Francisco Hub
24 for Business Innovation (INSEAD S.F. Hub) (Respondent). Respondent is owned by Insead
25 North America, Inc., a non-profit corporation formed in New York. The Institution Code was in
26 full force and effect at all times relevant to the charges brought herein; expired on October 31,
27 2024; and has not been renewed.

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JURISDICTION

3. This Accusation is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau for Private Postsecondary Education (Bureau), under the authority of the following laws. All section references are to the Education Code unless otherwise indicated.

4. Section 94885, subdivision (a)(9) states:

“(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur:

...

“(9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws.”

5. Section 94932 states:

“The bureau shall determine an institution's compliance with the requirements of this chapter. The bureau shall have the power to require reports that institutions shall file with the bureau in addition to the annual report, to send staff to an institution's sites, and to require documents and responses from an institution to monitor compliance. When the bureau has reason to believe that an institution may be out of compliance, it shall conduct an investigation of the institution. If the bureau determines, after completing a compliance inspection or investigation, that an institution has violated any applicable law or regulation, the bureau shall take appropriate action pursuant to this article.”

6. Section 94933 states:

“The bureau shall provide an institution with the opportunity to remedy noncompliance, impose fines, place the institution on probation, or suspend or revoke the institution's approval to operate, in accordance with this article, as it deems appropriate based on the severity of an institution's violations of this chapter, and the harm that results or may result to students.”

7. Section 94936 states:

“(a) As a consequence of an investigation, which may incorporate any materials obtained or produced in connection with a compliance inspection, and upon a finding that the institution has

1 committed a violation of this chapter or that the institution has failed to comply with a notice to
2 comply pursuant to Section 94935, the bureau shall issue a citation to an institution for violation
3 of this chapter, or regulations adopted pursuant to this chapter.

4 “(b) The citation may contain any of the following:

5 “(1) An order of abatement that may require an institution to demonstrate how future
6 compliance with this chapter or regulations adopted pursuant to this chapter will be
7 accomplished.

8 “(2) Notwithstanding Section 125.9 of the Business and Professions Code, an
9 administrative fine not to exceed five thousand dollars (\$5,000) for each violation. The bureau
10 shall base its assessment of the administrative fine on:

11 “(A) The nature and seriousness of the violation.

12 “(B) The persistence of the violation.

13 “(C) The good faith of the institution.

14 “(D) The history of previous violations.

15 “(E) The purposes of this chapter.

16 “(F) The potential harm to students.

17 “(3) An order to compensate students for harm that resulted or may have resulted, including
18 a refund of moneys paid to the institution by or on behalf of the student, as determined by the
19 bureau.

20 “(c)(1) The citation shall be in writing and describe the nature of the violation and the
21 specific provision of law or regulation that is alleged to have been violated.

22 “(2) The citation shall inform the institution of its right to request a hearing in writing
23 within 30 days from service of the citation.

24 “(3) If a hearing is requested, the bureau shall select an informal hearing pursuant to Article
25 10 (commencing with Section 11445.10) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of the
26 Government Code or a formal hearing pursuant to Chapter 5 (commencing with Section 11500)
27 of Part 1 of Division 3 of Title 2 of the Government Code.

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1 “(4) If a hearing is not requested, payment of the administrative fine is due 30 days from the
2 date of service, and shall not constitute an admission of the violation charged.

3 “(5) If a hearing is conducted and payment of an administrative fine is ordered, the
4 administrative fine is due 30 days from when the final order is entered.

5 “(6) The bureau may enforce the administrative fine as if it were a money judgment
6 pursuant to Title 9 (commencing with Section 680.010) of Part 2 of the Code of Civil Procedure.

7 “(d) All administrative fines shall be deposited in the Private Postsecondary Education
8 Administration Fund.”

9 8. California Code of Regulations, title 5, section 75020 states:

10 “(a) The Bureau Chief, or their designee, or the Director's designee, is authorized to issue
11 citations containing orders of abatement or administrative fines or both, pursuant to section 94936
12 of the Code against institutions approved under the Act that have committed any acts or
13 omissions that are in violation of the Act or any regulation adopted pursuant thereto.

14 “(b) The Bureau Chief, or their designee, or the Director's designee, is authorized to issue
15 citations containing orders of abatement or administrative fines or both, not to exceed \$100,000
16 pursuant to section 94944 of the Code against persons who are without proper approval to operate
17 as required under the Act. In addition, the citation may contain an order of abatement pursuant to
18 section 149 of the Business and Professions Code that requires the unapproved person to cease
19 any unlawful advertising and to notify the telephone company furnishing services to the cited
20 person: (1) to disconnect the telephone services furnished to any telephone number contained in
21 the unlawful advertising, and (2) that subsequent calls to that number shall not be referred by the
22 telephone company to any new number obtained by that person. The provisions of section 75040
23 shall apply to this subsection.

24 “(c) In addition to the requirements of section 94936 of the Code, each citation shall inform
25 the cited institution or person that:

26 “(1) if a hearing pursuant to the Administrative Procedure Act (APA) is not requested,
27 payment of the administrative fine is due 30 calendar days from the date of service, and shall not
28 constitute an admission of the violation charged.

1 “(2) if a hearing pursuant to the APA is conducted and payment of an administrative fine is
2 ordered, the administrative fine is due 30 calendar days from when the order is effective;

3 “(3) if the cited institution or person desires an informal conference to contest the finding of
4 a violation prior to an APA hearing, the informal conference shall be requested by written notice
5 to the Bureau within 30 calendar days from service of the citation;

6 “(4) failure to comply with any order of abatement within the time set forth in the citation,
7 unless the citation is being appealed, may result in disciplinary action being taken by the Bureau;
8 and

9 “(5) the Bureau may enforce the administrative fine as if it were a money judgment
10 pursuant to the California Code of Civil Procedure (beginning with section 680.010).

11 “(d) Each citation shall be served on the cited institution or person, in person, or by certified
12 and regular mail at the address of record on file with the Bureau. Citations served by certified and
13 regular mail shall be deemed “served” on the date of mailing.

14 “(e) The sanction authorized under this section shall be separate from, and in addition to,
15 any civil, criminal, or other administrative remedies.”

16 **STATUTORY AND REGULATORY PROVISIONS**

17 9. Section 94937, subdivision (b):

18 “(b) The bureau shall adopt regulations, within one year of the enactment of this chapter,
19 governing probation and suspension of an approval to operate.”

20 10. California Code of Regulations, title 5, 75050, subdivision (b):

21 “(a) If a cited institution or person that or who has been issued an order of abatement is
22 unable to complete the correction within the time set forth in the citation because of conditions
23 beyond the institution's or person's control after the exercise of reasonable diligence, the
24 institution or person may request an extension of time within which to complete the correction.
25 Such a request shall be in writing and shall be made within the time set forth for abatement.

26 “(b) Failure of an applicant or institution issued an approval to operate to abate the violation
27 or to pay the fine within the time allowed is a ground for denial or discipline of an approval to
28 operate.

1 “(c) If an informal conference or hearing is not requested, payment of the fine and/or
2 compliance with any order of abatement shall not constitute an admission of the violation charged
3 and shall be represented as satisfactory resolution of the matter for purposes of public disclosure.”

4 **COST RECOVERY**

5 11. Section 94937, subdivision (a) states that the “[B]ureau may seek reimbursement
6 pursuant to Section 125.3 of the Business and Professions Code.”

7 12. Business and Professions Code section 125.3 provides, in part, that the Bureau may
8 request the administrative law judge to direct a licentiate found to have committed a violation or
9 violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation
10 and enforcement of the case, with failure of the licentiate to comply subjecting the license to not
11 being renewed or reinstated. If a case settles, recovery of investigation and enforcement costs
12 may be included in a stipulated settlement.

13 **FACTUAL BACKGROUND**

14 Citation Number 23240210

15 13. On or about April 23, 2024, the Bureau issued to Respondent Citation Number
16 23240210, which included an administrative fine and order of abatement. Respondent did not
17 appeal the citation, and the citation is now final and incorporated by reference herein.

18 14. Respondent failed to timely comply with the citation, including payment of the
19 administrative fine and order of abatement.

20 Citation Number 24250063

21 15. On or about September 5, 2024, the Bureau issued Respondent Citation Number
22 24250063, which included an administrative fine and order of abatement. Respondent did not
23 appeal the citation, and the citation is now final and incorporated by reference herein.

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16. Respondent failed to timely comply with the citation, including payment of the administrative fine and order of abatement.

Citation Number 24250272

17. On April 10, 2025, the Bureau issued Respondent issued Citation Number 24250272, which included an administrative fine and order of abatement. Respondent did not appeal the citation, and the citation is now final and incorporated by reference herein.

18. Respondent failed to timely comply with the citation, including payment of the administrative fine and order of abatement.

CAUSE FOR DISCIPLINE

(Failure to Comply with Citation)

19. Respondent subjected its Approval to Operate Institution Code to discipline for failing to timely abate a cited violation or pay the fine set forth in a citation. (Educ. Code § 94937, subd. (b) and Cal. Code Regs., title 5, § 75050, subd. (b).) The circumstances are set forth in paragraphs 13 through 18, above.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Director of the Department of Consumer Affairs issue a decision:

1. Revoking or suspending Approval to Operate Institution Code Number 85210411, issued to INSEAD San Francisco Hub for Business Innovation (INSEAD S.F. Hub), owned by Insead North America, Inc.;

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2. Ordering INSEAD San Francisco Hub for Business Innovation (INSEAD S.F. Hub) to pay the Bureau for Private Postsecondary Education for the reasonable costs of the investigation and enforcement of this case, pursuant to Section 94937, subdivision (c) and Business and Professions Code Section 125.3; and

3. Taking such other and further action as deemed necessary and proper.

DATED: 11/6/2025

"Original signature on file"

DEBORAH COCHRANE
Chief
Bureau for Private Postsecondary
Education
Department of Consumer Affairs
State of California
Complainant

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