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

APPEAL OF CITATION INFORMAL CONFERENCE DECISION: CITATION MODIFIED

August 13, 2018

Make School, Inc.
Make School
1547 Mission Street
San Francisco, CA 94103

Date of Issuance	Citation Number	Institution Code
August 13, 2018	1718011	Unapproved

On July 6, 2018, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1718011 (Citation) against Make School Inc, Owner of Make School. In attendance were Yvette Johnson, Enforcement Chief; Jeremy Rossman, President; Awet Kidane, Advisor; and Katherine Lee Carey, 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. 1718011

It is the decision of the Enforcement Chief that on August 2, 2018 Citation No. 1718011 is modified and makes the following change(s):

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.
1.	**MODIFED** **Violation:** **CEC Section 94886. Approval to Operate Required** *"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."*

CEC Section 94817.5. Approved to Operate or Approved *"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 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."

CEC Section 94902. General Enrollment Requirements
(a) A student shall enroll solely by means of executing an enrollment agreement. The enrollment agreement shall be signed by the student and by an authorized employee of the institution.
(b) An enrollment agreement is not enforceable unless all of the following requirements are met:
(1) The student has received the institution's catalog and School Performance Fact Sheet prior to signing the enrollment agreement.
(2) At the time of the execution of the enrollment agreement, the institution held a valid approval to operate.
(3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the Student Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the Student Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.
(c) A student shall receive a copy of the signed enrollment agreement, in writing or electronically, regardless of whether total charges are paid by the student.

On March 29, 2016, the Bureau received a tip from Enforcement alleging that the Institution is operating as an unapproved institution at 1547 Mission Street, San Francisco, CA 94103 and advertising online via their school website at www.makeschool.com.

On April 13, 2016, Bureau staff verified that Make School (Institution) is advertising Information Technology related programs at 1547 Mission Street, San Francisco, CA 94103 from www.makeschool.com. The Institution's website advertises three programs which include a Product Academy, Summer Academy, and an Online Academy for up to $30,000.00 per year, upon enrollment, based on the program and/or an Income Based Repayment Program (IBR). For students on an IBR, a percentage of a student's internship salary and first two years' salary after graduation is charged up to a 45% fee, dependent on how much money a student paid to the Institution upon enrollment.

On April 15, 2016, the Bureau sent a letter to the Institution for operating unapproved and notified the Institution that it must cease operating until such time that an Approval to

Operate has been obtained.

On January 3, 2017, the Bureau received an application for Approval to Operate an Institution Non- Accredited number 29866. Make School has not received an approval to operate from the Bureau and continues to operate and advertises from the website as an unapproved institution in violation of CEC section 94886.

As of February 22, 2018, Make School is still advertising and accepting applications for September 2018, via their website at www.makeschool.com. According to their academic calendar, early admissions decisions were made in November 20, 2017 and the classes are scheduled to begin September 4, 2018. The 2018 tuition costs for courses vary based on an Income Share Agreement (ISA) where students will share 25% of their pre-tax income after graduation, in order to pay for tuition. The more tuition a student pays initially, the fewer months of repayment will be shared with Make School after graduation. The Institution charges up to $90,000.00 in tuition based on the program and method of payment used.

Order of Abatement

The Bureau orders that the Institution ceases to operate as a private postsecondary educational institution in California. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any forms or type of media, including Internet web site https://www.makeschool.com/ and any other websites not identified here that are associated with Make school, until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service for (415) 814-0980 and any other telephone numbers not identified here that are associated with Make School, until such time that an approval to operate is obtained from the Bureau. The Institution must provide a refund to all students enrolled at the school prior to receiving an approval to operate from the Bureau as the enrollment agreements signed by the student are not enforceable since the school does not have a valid approval to operate. 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 and 94927.5. The Institution must provide a roster of each student currently enrolled at the Institution. The roster must include the name of the student, their contact information (including phone number, email address, and physical address), the program in which they are enrolled, the date of enrollment the amount paid for the program, and the amount the student was refunded.

Assessment of Fine

The fine for this violation is $100,000.00

Reason for modification: On July 12, 2018, the Bureau issued the Institution an approval to operate a non-accredited Institution.

The administrative fine for this violation has been modified from $100,000.00 to $25,000.00.

TOTAL MODIFIED ADMINISTRATIVE FINE DUE: $25,000.00

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:

Gurinder Sandhu, 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 modified Citation. You *do*, however, have the right to appeal this modified Citation through an Administrative Hearing, *only if* you initially requested one within 30 days from the issuance date of the original citation. 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 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 modified Citation is effective on **August 13, 2018.** The order of abatement and payment are due by **September 12, 2018**

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 Modified 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 Gurinder Sandhu, Citation Analyst, at (916) 431-6940 or at Gurinder.Sandhu@dca.ca.gov.

8/13/18

Christina Villanueva
Discipline Manager

Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Copy of Modified Citation