

Bureau for Private Postsecondary Education 2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833

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CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Tima Kraus Los Angeles Makeup School 1624 Wilcox Avenue Los Angeles, CA 90028

INSTITUTION CODE: Unapproved CITATION NUMBER: 1617028

CITATION ISSUANCE/SERVICE DATE: NOVEMBER 7, 2016

DUE DATE: DECEMBER 7, 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 Tima Kraus, Owner of Los Angeles Makeup School (LAMS) located at 1624 Wilcox Avenue, Los Angeles, CA 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.

BACKGROUND

On September 11, 2012, the Bureau received an anonymous tip alleging LAMS is operating without Bureau approval. During the course of the Bureau's investigation, Bureau staff was able to confirm that LAMS is currently operating as a private postsecondary educational institution with a physical presence in California without Bureau approval and is charging over \$2,500 for their programs. Despite the Bureau's request for compliance and /or to cease operations as a private postsecondary educational institution, LAMS has ignored the Bureau's request and knowingly continues to operate without approval. LAMS is in violation of Bureau law.

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:

CEC 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."

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.

94868. To Offer to the Public

"To offer to the public" means to advertise, publicize, solicit, or recruit.

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.

94857. Postsecondary Education

"Postsecondary education" means a formal institutional educational program whose curriculum is designed primarily for students who have completed or terminated their secondary education or are beyond the compulsory age of secondary education, including programs whose purpose is academic, vocational, or continuing professional education.

94858. Private Postsecondary Educational Institution

"Private postsecondary educational institution" means a private entity with a physical presence in this state that offers postsecondary education to the public for an institutional charge.

On September 11, 2012, the Bureau received an anonymous tip alleging that LAMS is operating without Bureau approval. The tip cited a brochure for classes and an application to attend the school.

On October 8, 2012, Bureau staff sent an Order of Abatement letter to LAMS at their address of record, 1624 Wilcox Avenue, Los Angeles, CA 90028, ordering LAMS to cease operating. The Bureau did not receive a response.

On August 19, 2015, Bureau staff's investigation indicated that LAMS's website (www.losangelesmakeupschool.com) was advertising program information for a diploma program which cost \$17,200 entitled "Professional Makeup Artist Program." The website also included class start dates of June 1 – August 14, 2015, August 3 – October 16, 2015, November 2, 2015 – January 15, 2016.

On November 18, 2015, Bureau staff visited LAMS's address of record, 1624 Wilcox Avenue, Los Angeles, CA 90028. Bureau staff took pictures of the front signage, the front entry for LAMS as well as a class being conducted. Bureau staff spoke with an instructor who identified herself as "K." K

stated that the school administrators were not currently on site. K provided Bureau staff with a copy of LAMS's brochure.

On November 19, 2015, Bureau staff reviewed the information collected during the onsite visit. Bureau staff was able to confirm that LAMS is advertising programs costing over \$2,500 in their published brochures and online.

The Bureau's investigation confirmed that LAMS is operating as a private postsecondary educational institution at 1624 Wilcox Avenue, Los Angeles, CA 90028; telephone number (888) 816-0548. LAMS advertises at least ten programs which cost up to \$17,200 each. Additionally, LAMS has not submitted evidence of exemption from the Bureau's laws and regulations. As such, LAMS falls under the definition of a private postsecondary educational institution under CEC 94858 and therefore requires approval to operate from the Bureau per CEC 94886. Despite the Bureau's request for compliance and /or to cease operations as a private postsecondary educational institution, LAMS has ignored the Bureau's request and knowingly continues to operate without approval.

Order of Abatement:

The Bureau orders that LAMS cease to operate as a private postsecondary educational institution in California. LAMS must discontinue recruiting or enrolling students and cease all instructional services and advertising in any forms or type of media (including the Internet web site, www.losangelesmakeupschool.com), until such time as an approval to operate is obtained from the Bureau. LAMS must disconnect all telephone services for (888) 816-0548 and any other California telephone numbers not identified here until such time as an approval of operate is obtained from the Bureau. To comply with the Order of Abatement, LAMS must submit a school closure plan to the Bureau pursuant to CEC 94926. LAMS must provide a roster of each student currently enrolled at LAMS. 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 were enrolled, the amount paid for the program, and the amount the student was refunded.

Assessment of Fine

The fine for this violation is \$50,000.00

TOTAL ADMINISTRATIVE FINE DUE: \$50,000.00

ASSESSMENT OF A FINE

In accordance with CEC section 94944; and 5 CCR section 75020(b), the Bureau hereby orders this assessment of a fine in the amount of \$50,000.00 for the violations described above. Payment must be made, 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 94944 and 5 CCR Section 75020 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.

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 **DECEMBER 7, 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 **NOVEMBER 7, 2016.** Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **DECEMBER 7, 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:

Ben Graber, 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 Ben Graber, Enforcement Analyst, at 916-576-2409 or Benjamin.graber@dca.ca.gov.

Elainea Shotwell/
Enforcement Manager

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