



Bureau for Private Postsecondary Education
1747 N. Market Blvd. Ste 225 Sacramento, CA 95834
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APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

October 14, 2021

Shaan Hathiramani, Owner
Flockjay
34 S. Lemon Street, #3881
Walnut CA, 91789

Date of Issuance	Citation Number	Institution Code
October 14, 2021	2021129	Unapproved

On September 10, 2021, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 2021129 (Citation) against Shaan Hathiramani, Owner of Flockjay (Institution). In attendance were Yvette Johnson, Administrative Chief, Shaan Hathiramani, Owner, Linh T. Nguyen, DCA Legal, and Neil McGaraghan, Institution’s 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. 2021129

It is the decision of the Administrative Chief that on October 6, 2021, Citation No. 2021129 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.	<p><u>Violation:</u> CEC Section 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>CEC Section 94817.5. Approved to Operate or Approved <i>“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.”</i></p> <p>CEC Section 94868. To Offer to the Public</p>

“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.”

On March 2, 2020, Bureau staff found that the Institution’s website, www.flockjay.com, advertised tuition with options of \$5,000.00 upfront cost, or a \$0 upfront cost once the student obtains a job earning \$40,000.00 per year; the student is then required 10% of their income for the first year, with the total tuition amount not to exceed \$9,000.00.

On March 3, 2020, Bureau staff attempted to reach Institution staff by phone, however was unable to reach anyone. Bureau staff sent email correspondence to the Institution notifying them that a complaint had been filed with the Bureau. Later that same day, Bureau staff received a response from Institution staff stating that the Institution recently became aware of the Bureau and planned to sign up for the Bureau’s Licensing Workshop.

On March 4, 2020, Bureau staff received additional email correspondence stating that the Institution had 95 students enrolled in three (3) separate cohorts, and upon request a student receives a certificate of completion from the program. In addition, Institution staff stated that a student choosing the \$0 upfront cost option agrees to pay 10% of their income, post-training, in 12 monthly payments, if the student earns at least \$3,333.00 per month (or \$40,000.00 per year). If a student has not provided 12 payments to the Institution within five (5) years, the Institution cancels the students’ payment obligation.

On March 24, 2020, the Institution applied for Approval to Operate a Non-Accredited Institution to the Bureau.

On April 4, 2020, the Bureau mailed correspondence to the Institution stating the that Application for Approval of a Non-Accredited Institution had been reviewed and was considered incomplete. As a result, additional information was requested from the Institution.

To date, the Institution does not have a current Approval to Operate a private postsecondary institution, nor are they operating under the specification of the exemption under CEC section 94874(f).

Order of Abatement:

The Bureau orders that the Institution cease to operate as a private postsecondary educational institution, unless the Institution qualifies for an exemption under CEC section 94874. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media, including www.flockjay.com, and any other websites not identified here that are associated with the Institution, until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service numbers including, but not limited to, (510) 431-8145, that are associated with the Institution 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 section 94926. The Institution must provide a roster of each student currently enrolled at the Institution. The roster must include the names of the students, their contact information (including

	<p>phone number, email address, and physical address), the programs in which they are enrolled, the amount paid for the programs.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$15,000.00</u></p> <p><u>Reason for modification:</u> New substantive facts were presented at the conference.</p> <p><u>The administrative fine for this violation has been modified from \$15,000.00 to \$10,00.00.</u></p>
TOTAL MODIFIED ADMINISTRATIVE FINE DUE: <u>\$10,000.00</u>	

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:

Gabriella Perez, Discipline Citation Program
Bureau for Private Postsecondary Education
1747 N. Market Blvd., Suite 225
Sacramento, CA 95834

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 affirmed or modified Citation through an Administrative Hearing. 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 do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed Withdrawal – Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on **October 14, 2021**. The Order of Abatement and payment are due by **November 13, 2021**.

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 Gabriella Perez, Citation Analyst, at (916) 574-8969 or at Gabriella.Perez@dca.ca.gov.

“Original Signature on File”

“10/14/2021”

Christina Villanueva
Discipline Manager

Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail