

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

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# <u>CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT</u>

To Sam Brody, Owner Codify Academy 535 Mission Street San Francisco, CA 94105

INSTITUTION CODE: Unapproved CITATION NUMBER: 1718034

CITATION ISSUANCE/SERVICE DATE: May 10, 2018

DUE DATE: June 9, 2018

FINE AMOUNT: \$ 100,000.00

**ORDER OF ABATEMENT INCLUDED: YES** 

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

### **CITATION**

A Citation is hereby issued to Sam Brody, Owner of Codify Academy (Institution) located at 535 Mission Street, San Francisco, CA 94105 pursuant to Business and Professions Code section 125.9 and 149; California Education Code (CEC) section 94944; and Title 5 of the California Code of Regulations (5 CCR) section 75020 for the violation(s) described below.

### BACKGROUND

On February 14, 2018, the Bureau for Private Postsecondary Education (Bureau) received information that Codify Academy (Institution) is operating as an unapproved Institution at 535 Mission Street, San Francisco, CA 94105. The Institution is offering 16-week courses in web development and JavaScript programing and charges students \$8,800.00 in tuition. The Bureau does not have record of having received an Application for Approval to Operate.

## VIOLATION(S)

	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.
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#### 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."

## CEC 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 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."

## **CEC 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.

Codify Academy is operating as an unapproved private postsecondary institution at 535 Mission Street, San Francisco, California 94105. The Institution advertises programs on its website at <a href="http://codifyacademy.com/course">http://codifyacademy.com/course</a>. The web print, dated April 17, 2018 from the website, states it is 16 weeks flexible hours, hands on classes instead of lectures in web development and JavaScript programing. On the website <a href="http://codifyacademy.com/">http://codifyacademy.com/</a>, under the tuition tab, the Institution advertises \$8,800 total cost, \$11,000.00 is full tuition discount 20%, total tuition to be paid upon sign up. The Institution offers a payment plan month to month, \$1,000.00 per month, \$11,000.00 full tuition, 10 monthly payments with 0% interest, \$1,000.00 down upon sign up.

The Institution has raised the tuition, the web print dated February 14, 2018 from the website <a href="http://codifyacademy.com/">http://codifyacademy.com/</a> under the tuition tab, the Institution advertised \$6,700.00 total cost, \$8,000.00 full tuition, discount 10%, total tuition to be paid upon sign up. The Institution offers a payment plan month to month, \$500.00 per month, \$8,000.00 full tuition, 14 monthly payments with 0% interest, \$1,000.00 down upon sign up.

Codify Academy is operating as an unapproved Institution in violation of CEC section 94886.

## **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 site <a href="http://codifyacademy.com/course/">http://codifyacademy.com/course/</a>), until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service, for (415) 530-1557 and (925) 876-3287, and any other telephone numbers not identified here that are associated with Codify Academy until such time as an approval to operate is obtained from the Bureau. The Institution must provide a refund to all students enrolled at the school prior to the receiving an approval to operate from the Bureau as the enrollment agreements signed by the students 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. 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 amount paid for the program, and the amount the student was refunded.

## **Assessment of Fine**

The fine for this violation is \$100,000.00

# **TOTAL ADMINISTRATIVE FINE DUE: \$100,000.00**

## 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 \$100,000.00 for the violations described above. Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.

### COMPLIANCE WITH ORDER OF ABATEMENT

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.

## 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 <u>30 days</u> 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 **June 9, 2018,** 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 **May 10, 2018.** Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **June 9, 2018.** 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:

Gurinder Sandhu, 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 Gurinder Sandhu, Citation Analyst, at 916-431-6940 or <a href="mailto:Gurinder.Sandhu@dca.ca.gov">Gurinder.Sandhu@dca.ca.gov</a>.

Christina Villanueva Discipline 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