



Bureau for Private Postsecondary Education
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APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

June 17, 2020

AnimSquad LLC, Owner
AnimSquad, LLC,
610 Wilcox Avenue
Los Angeles, CA 90004

Date of Issuance	Citation Number	Institution Code
June 17, 2020	1920240	Unapproved

On June 11, 2020, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1920240 (Citation) against AnimSquad LLC, Owner of AnimSquad LLC (Institution). In attendance were Leeza Rifredi, Deputy Bureau Chief, Doug Smith, DCA Legal Counsel, Marlon Nowe, President and Marc Lazo, 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. 1920240.

It is the decision of the Deputy Bureau Chief that on June 11, 2020 Citation No. 1920240 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 94858. Private Postsecondary Educational Institution <i>“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.</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 <i>“To offer to the public” means to advertise, publicize, solicit, or recruit.”</i></p>

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 November 27, 2018, Bureau staff investigated the complaint and found that the Institution was operating a private postsecondary educational institution. The Institution’s website establishes tuition costs for the following educational programs:

- Three Expert Animation for \$4,199.00;
- Beginner Animation II, Intermediate Animation, and Expert Animation for \$3,899.00;
- Two Intermediate Animation and One Expert Animation for \$3,999.00;
- One Intermediate Animation and Two Expert Animation for \$4,099.00;
- Beginner Animation II for \$1,299.00;
- Intermediate Animation for \$1,399.00;
- Expert Animation for \$1,499.00;
- 2D Traditional Animation for \$999.00;

Through the course of the investigation and evidence obtained it was substantiated that the Institution is offering educational programs to the public requiring Bureau approval as the Three Expert Animation for \$4,199.00, Beginner Animation II, Intermediate Animation, and Expert Animation for \$3,899.00, Two Intermediate Animation and One Expert Animation for \$3,999.00, and One Intermediate Animation and Two Expert Animation for \$4,099.00, exceeds the threshold within 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 the <https://www.animsquad.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 (774) 277-8234 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 phone number, email address, and physical address), the programs in which they are enrolled, the amount paid for the programs.

Reason for modification: New substantive facts were presented at the conference. The Order of Abatement has been satisfied.

Assessment of Fine

The fine for this violation is \$50,000.00

The administrative fine for this violation has been modified from \$50,000.00 to \$5,000.00.

TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$5,000.00

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:

Cheryl Lardizabal, 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 **June 17, 2020**. The payment is due by **July 17, 2020**.

Failure 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 Cheryl Lardizabal, Citation Analyst, at (916) 574-8968 or at Cheryl.Lardizabal@dca.ca.gov.

“Original signature on file”

“6/17/2020”

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