



THE SECRETARY OF EDUCATION
WASHINGTON, DC 20202

In the Matter of

EURO HAIR DESIGN INSTITUTE,

Docket No. 03-95-SA

**Student Financial
Assistance Proceeding**

Respondent.

DECISION OF THE SECRETARY

This matter comes before the Secretary on appeal by the United States Department of Education, Federal Student Aid office (FSA) of the Final Order issued by Chief Administrative Judge Ernest C. Canellos (AJ) on February 11, 2004. FSA requests that I either remand this matter for reconsideration or reverse the AJ's decision and enter default judgment. On June 27, 2003, FSA issued a Final Audit Determination (FAD). The FAD contained findings against Respondent's administration of Federal student aid program funds as governed by regulations promulgated pursuant to Title IV of the Higher Education Act of 1965, as amended (Title IV), 20 U.S.C. § 1070 *et seq.* and 42 U.S.C. § 2751 *et seq.* The FAD sought to recover \$1,355.00 in Title IV funds. Respondent appealed. Following the Respondent's failure to file submissions in compliance with the AJ's briefing schedule and orders, FSA requested that the AJ enter default judgment upholding the liability identified in the FAD. Instead, the AJ denied FSA's request to enter default judgment and sua sponte dismissed the proceeding.

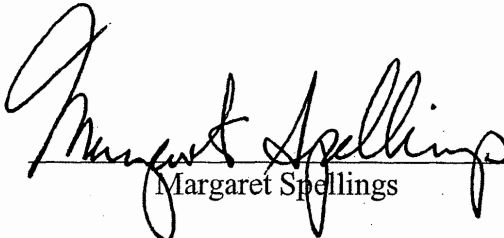
Discussion

In his Final Order, the AJ determined that the FAD lacked adequate notice. Upon review of the pleadings, FAD and entire record, I find that FSA provided adequate notice to Respondent. On its face, the FAD provided adequate notice and specifically states that the "total liability due to the Department of Education is \$1,355.00 for Supplemental Educational Opportunity Grants (SEOG)." In addition, it is clear from the entire record that Respondent had adequate notice of the liability and amount sought by FSA in this matter.

ORDER

Accordingly, I HEREBY REVERSE the Final Order of Chief Administrative Judge Ernest C. Canellos, GRANT FSA's Motion for Entry of Default Judgment and enter DEFAULT JUDGMENT in favor of FSA for \$1,355.00.

So ordered this 17 day of September 2005.


Margaret Spellings

Washington, D.C.

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