



THE SECRETARY OF EDUCATION
WASHINGTON, DC 20202

In the Matter of

AIMS ACADEMY,

**Docket No. 08-49-SF
Federal Student Aid Proceeding**

Respondent.

DECISION OF THE SECRETARY

This matter comes before me on appeal by the office of Federal Student Aid (FSA). On June 19, 2009, Chief Judge Ernest C. Canellos issued an Initial Decision ordering Aims Academy (Respondent) to pay a \$1,000 fine in light of Respondent's failure to timely file mandatory Integrated Postsecondary Education Data System (IPEDS) surveys.

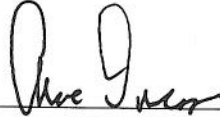
At issue in this case is whether Judge Canellos imposed an appropriate fine against Respondent for failing to timely file four IPEDS surveys in 2008. Although FSA could have proposed a maximum fine of \$27,500, FSA proposed a smaller, but significant fine. IPEDS surveys are required by statute, and FSA argued that postsecondary institutions should file these surveys on time. Although Judge Canellos agreed with FSA that Respondent failed to file the IPEDS surveys in a timely manner, Judge Canellos reduced the proposed fine sought by FSA from \$14,000 to \$1,000. Judge Canellos reduced FSA's proposed fine because he found mitigating factors favoring the reduction, including the small size of the institution and the gravity of Respondent's violation of the IPEDS survey filing requirement. In this regard, Judge Canellos noted that Respondent's "attempt to transmit the surveys is at least a mitigating factor," and he concluded that "no federal funds were placed in jeopardy" by Respondent's failure to timely file mandatory surveys; and further, that the risk of future repeated regulatory violations was essentially nonexistent since the institution no longer maintained eligibility to participate in Federal student aid programs. Given the factors cited by Judge Canellos supporting his reduction of the fine, I find no reason to modify the judge's result.

ORDER

ACCORDINGLY, the Initial Decision by Chief Administrative Judge Ernest C. Canellos is HEREBY AFFIRMED as the Final Decision of the Department.

NOV 15 2010 10:50 AM

So ordered this 12th day of November 2010.

A handwritten signature in black ink, appearing to read "Arne Duncan", written over a horizontal line.

Arne Duncan

Washington, D.C.

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