

IN THE MATTER OF ACADEMIA de BELLEZA BORINQUEN,  
Respondent.

Docket No. 89-31-S  
Student Financial Assistance Proceeding

DECISION

Appearances: None by the Respondent

Stephen M. Kraut, Esq. of Washington, D.C., Office of the General Counsel, United States  
Department of Education for the Office of Student Financial Assistance

Before: Judge Allan C. Lewis

This is an appeal by the Academia de Belleza Borinquen concerning the Notice of Intent to Terminate and Fine, dated July 20, 1989, issued by the U.S Department of Education. After a lengthy due to an agreed upon suspension by the parties, the tribunal issued an Order Governing Proceedings on January 8, 1991. The Order Governing Proceedings required ED and then subsequently the respondent to exchange a list of proposed witnesses, exhibits, and a proposed stipulation of fact. These statements were also to be submitted to the tribunal.

On February 11, 1991, ED submitted its statement to the tribunal and to the respondent. Under the Order Governing Proceedings, the respondent's statement was due on March 4, 1991. As of this date, the respondent has not complied with the Order Governing Proceedings. In light of this noncompliance, ED moved for an entry of judgment on March 25, 1991.

Under 34 C.F.R. § 668.89(c) (1990), the administrative law judge is authorized to--

take whatever measures are appropriate to expedite the proceeding. These measures may include, but are not limited to, the following- -

- ....
- (2) Setting time limits for hearings and submission of written documents; and
  - (3) Terminating the hearing and issuing a decision against a party if that party does not meet those time limits.

In light of the respondent's failure to comply with the Order Governing Proceedings and 34 C.F.R. § 668.89(c), it is hereby--

ORDERED that the appeal of the Notice to Terminate and Fine by the respondent is dismissed and that decision is entered against the respondent which terminates its eligibility to participate in the student financial assistance programs under Title IV of the Higher Education Act of 1965, as amended; and it is further

ORDERED that the respondent immediately and in the manner provided by law pay fines in the amount of \$200,000 to the U.S. Department of Education.

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Allan C. Lewis  
Administrative Law Judge

Issued: March 27, 1991  
Washington, D.C.

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SERVICE

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On March 27, 1991, a copy of the initial decision was sent by certified mail, return receipt requested, to the following:

Molly Hockman  
Director, Audit and Program Review  
Office of Student Financial Assistance  
Room 3923, ROB-3  
7th and D Street, S.W.  
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Jesus E. Jimenez, Trustee  
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Santurce, Puerto Rico 00913

On March 27, 1991, a copy of the initial decision was also sent to--

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U.S. Department of Education  
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