

IN THE MATTER OF SPENCER COLLEGE,
Respondent.

Docket No. 93-27-ST
Student Financial Assistance Proceeding

DECISION

Appearances: Leslie H. Wiesenfelder, Esq., of Dow, Lohnes & Albertson, Washington, D.C.,
for the Respondent

Donald C. Philips, Esq., of the Office of General Counsel, United States Department of
Education, for the Office of Student Financial Assistance Programs.

Before: Judge Allan C. Lewis

This is an action initiated by the United States Department of Education (ED) to terminate the eligibility of Spencer College to participate in the student financial assistance programs under Title IV of the Higher Education Act of 1965, as amended, and to impose a fine in the amount of \$46,000.

In *In re Bliss College*, Dkt. No. 93-15-ST, U.S. Dep't of Education (Feb. 23, 1994), the Secretary vacated, as moot, the Initial Decision of the Administrative Law Judge in a termination and fine action because the institution had permanently closed its campuses. In his Initial Decision the Administrative Law Judge terminated Bliss' participation in the Title IV programs and did not impose a fine. The Secretary vacated this decision noting that "a case is moot when a determination is sought on a matter which, when rendered, cannot have any practical effect on the existing controversy."

The present case is factually similar to *Bliss*. ED seeks to terminate and fine Spencer. Spencer is a subsidiary of Fischer Educational System, Inc. and both corporations are presently involved in a bankruptcy proceeding. Spencer has ceased all operations, is permanently closed, and has no intention to ever seek eligibility to participate in any Federal student financial assistance program. Hence, the disposition of this case is controlled by *Bliss* which mandates that this matter be dismissed with prejudice.

Accordingly, it is HEREBY ORDERED that the above-captioned proceeding is dismissed with prejudice.

Allan C. Lewis
Administrative Law Judge

Issued: March 9, 1994
Washington, D.C.

SERVICE

On March 9, 1994, a copy of the attached initial decision was sent by certified mail, return receipt requested to the following:

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