

UNITED STATES DEPARTMENT OF EDUCATION  
WASHINGTON, D.C. 20202

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In the Matter of

**Docket No. 00-04-ST**

**CLERICAL ART SCHOOL,**

Student Financial Assistance Proceeding

Respondent.

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Appearances: Renée S. Orleans, Esq., Office of the General Counsel, U.S. Department of Education, Washington, DC, for Office of Student Financial Assistance Programs.

Maurice H. Zakhem, Director, Clerical Art School, and Wilhemina Zakhem, Houston, Texas, for Respondent.

Before: Frank K. Krueger, Jr., Administrative Judge.

**DECISION**

On December 20, 1999, Respondent was informed by its accreditation agency, the Accrediting Council for Continuing Education and Training, that it was no longer accredited. Based on its loss of accreditation, on January 14, 2000, the Office of Student Financial Assistance Programs (SFAP), U.S. Department of Education, initiated this proceeding to terminate Respondent=s eligibility to participate in the student financial assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended.<sup>[1]</sup>

In order to satisfy the definition of an institution eligible to participate in the Title IV programs, a school must be, among other things, accredited by a nationally recognized accrediting association or agency approved by the Secretary of Education. 20 U.S.C.A. " 10001(a)(5); 10002(a)(1)(A) and (b)(1)(D); 1094(a) and (d)(1999). Cf. 20 U.S.C.A. ' 1099b(j) (1999). Once Respondent lost its accreditation, it was no longer an Aeligible institution,@ and thus must be terminated from participation in the Title IV programs. See *Philadelphia Wireless Technical Institute*, Docket No. 99-76-ST, U.S. Dept. of Educ. (March 8, 2000); *Sue Bennett College*, Docket No. 97-145-ST, U.S. Dept. of Educ. (Feb. 10, 1998); *La Newton School of Beauty Culture*, Docket No. 97-11-ST, U.S. Dept. of Educ. (April 10, 1997); *Wheeling College of Hair Design*, Docket No. 95-68-ST, U.S. Dept. of Educ. (July 31, 1995); *International Academy of Hair Design and Technology*, Docket No. 93-124-ST, U.S. Dept. of Educ. (Aug. 4, 1994).

Respondent does not deny that it lost its accreditation, but essentially seeks to have this tribunal reconsider the evidence it presented to the accrediting agency and allow Respondent to continue its participation in the Title IV programs notwithstanding its loss of accreditation. This tribunal has no such authority. Under the regulations governing this proceeding, if the basis for SFAP=s proposed termination action is a school=s loss of accreditation, Athe sole issue is whether the institution . . . has the requisite accreditation . . . . The presiding official has no authority to consider challenges to the action of the accrediting agency.@ 34 C.F.R. ' 600.41(e)(1) (1999). See *Sue Bennett, supra*, *La Newton, supra*, and *International Academy, supra*.

On the basis of the foregoing, it is hereby **ORDERED** that the eligibility of Clerical Art School to participate in

the programs authorized under Title IV of the Higher Education Act of 1965, as amended, is terminated.

Date: May 9, 2000

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Frank K. Krueger, Jr.  
Administrative Judge

SERVICE

A copy of this decision was sent by registered mail, return receipt requested, to the following:

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<sup>[1]</sup> SFAP also imposed an emergency action immediately withdrawing Respondent's authority to award funds under the Title IV programs. Respondent initially requested an evidentiary hearing to consider both the emergency action and the proposed termination. Consequently, a hearing was scheduled for March 16, 2000. By letter dated March 13, 2000, Respondent sent notice that it would not be attending the scheduled hearing. The parties then agreed to have the case decided on the written record. Both parties subsequently submitted written exhibits and legal memoranda in support of their respective positions. Since, as discussed in the text of this decision, Respondent is no longer eligible to participate in the Title IV programs, the emergency action is moot.