



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

In the Matter of

**HAMPTON ROADS SCHOOL
of TECHNOLOGY,**

Respondent.

Docket No. 05-32-SA

Federal Student Aid
Proceeding
ACN: 03-2004-41463

Appearances: Sonya L. Blowe, for Hampton Roads School of Technology, Norfolk, Virginia.

Steven Z. Finley, Esq., Office of the General Counsel, United States Department of Education, Washington, D.C., for Federal Student Aid.

Before: Richard F. O'Hair, Administrative Judge

DECISION

Hampton Roads School of Technology (Hampton Roads), operated a trade school in Norfolk, Virginia, which participated in the federal student aid programs authorized under Title IV of the Higher Education Act of 1965 (Title IV, HEA), as amended. 20 U.S.C. § 1070 *et seq.* and 42 U.S.C. § 2751 *et seq.* The Office of Federal Student Aid (FSA), U.S. Department of Education (ED), administers these programs. On February 25, 2005, FSA issued a Final Closed School Audit Determination (FAD) in which it sought the return of \$1,371,142.91 in federal funds from Hampton Roads because of its failure to fulfill several close-out requirements required by 34 C.F.R. § 668.26. Hampton Roads appealed this finding.

I issued an Order Governing Proceedings on May 26, 2005, pursuant to which Hampton Roads was required to file a brief and exhibits by July 7, 2005. No brief was filed, but on July 22, 2005, counsel for FSA requested, and was granted, a stay in these proceedings until September 16, 2005, to allow Hampton Roads sufficient time to file a close-out audit. Again, Hampton Roads submitted nothing, so on November 22, 2005, counsel for FSA filed a Motion for Default Judgment. In response to this, I issued an Order to Show Cause which obligated Hampton Roads to show cause by December 9, 2005, why I should not issue a decision and enter

judgment against it for its failure to prosecute its appeal. Hampton Roads failed to comply with this order.

Under 34 C.F.R. §668.117, I have the authority to regulate the course of the proceedings, including the termination of the hearing process if a party does not meet the time limits I established. As a result of Hampton Road's noncompliance with the Order Governing Proceedings and its failure to respond to the Order to Show Cause, it is appropriate to terminate this proceeding.

ORDER

On the basis of the foregoing, it is hereby ORDERED that the appeal of Hampton Roads School of Technology is dismissed with prejudice and it is to pay to the U.S. Department of Education the sum of \$1,317,142.91.

Judge Richard F. O'Hair

Dated: January 4, 2006

SERVICE

A copy of the attached initial decision was sent by certified mail, return receipt requested, to the following:

Ms. Sonya L. Blowe
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