



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

In the Matter of

Docket No. 10-05-SP

GEORGIA HIGHLANDS COLLEGE,

Federal Student Aid
Proceeding

Respondent.

Appearances: Donna K. Childres, Director of Financial Aid, for Georgia Highlands College.

Jennifer L. Woodward, Esq., Office of the General Counsel, United States
Department of Education, Washington, D.C., for Federal Student Aid.

Before: Judge Ernest C. Canellos

DECISION

Georgia Highlands College (GHC) is a public institution of higher education in Rome, Georgia, offering programs leading to Associate Degrees. These programs are accredited by the Southern Association of Colleges and Schools Commission on Colleges, and are eligible to participate in the various federal student aid programs governed by Title IV of the Higher Education Act of 1965, as amended (Title IV). 20 U.S.C. § 1070 *et seq.* and 42 U.S.C. 2751 *et seq.* Within the U.S. Department of Education (ED), the office of Federal Student Aid (FSA) is the organization that administers these programs.

From September 21, 2009 to September 30, 2009, reviewers from FSA's School Participation Team – Atlanta, conducted an on-site program review at GHC to examine its compliance with Title IV regulations. In a Final Program Review Determination (FPRD), issued on January 8, 2010, FSA demanded that \$9,166.00, be returned to ED for findings uncovered during the program review. On February 22, 2010, GHC's Director of Financial Aid requested a hearing to challenge the findings of the FPRD and, once assigned the case, on March 9, 2010, I instituted the briefing schedule, requiring GHC to submit a brief and evidence by April 16, 2010. When GHC failed to submit its brief as scheduled, FSA filed a Motion for Default Judgment on May 20, 2010. In response, I issued an Order to Show Cause, giving GHC until June 15, 2010, to purge its default, however, GHC did not respond. As a consequence of GHC's failure to

comply with the time limits I have established and under the authority of 34 C.F.R § 668.117(a)(3), I am terminating the hearing process and am issuing this decision.

It is well established that in Subpart H -- audit and program review -- proceedings, the Respondent has the burden of proving by a preponderance of the evidence, that Title IV funds it received were lawfully disbursed. 34 C.F.R. §668.116(d). If a respondent institution fails to establish the correctness of its expenditure of federal education funds, it must return all such funds to ED. The record is clear -- GHC has not complied with its obligation to present a brief and evidence to rebut the findings in the FPRD. It is, thusly, clearly in default. In summary, I am convinced that the findings contained in the FPRD sufficiently state allegations in a manner that demonstrate the existence of a *prima facie* showing that the institution failed to comply with Title IV program requirements. Consistent with the record before me, I find that GHC has failed to meet its burden of establishing that its expenditures of Title IV funds, as enumerated in the FAD, was correct.

ORDER

On the basis of the foregoing findings of fact and conclusions of law, it is HEREBY ORDERED that Georgia Highlands College, pay to the United States Department of Education the sum of **\$9,166.00**, in the manner as required by law.

Ernest C. Canellos
Chief Judge

Dated: June 22, 2010

SERVICE

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

Donna K. Childres
Director of Financial Aid
Georgia Highlands College
3175 Cedartown Highway, S.E.
Rome, Georgia 30161

Jennifer L. Woodward, Esq.
Office of the General Counsel
U.S. Department of Education
400 Maryland Avenue, S.W., Room 6E120
Washington, D.C. 20202-2110