

July 21, 2020

Ms. Yolanda T. Duran, President Advance Beauty Techs Academy 2191 Sampson Avenue, Suite 105 Corona, CA 92879-6572

Sent via e-mail to: <u>yduran@abt.edu</u>

Re: HCM2 Method of Payment OPE ID: 04206800 DUNS: 791924538

Dear Ms. Duran:

The San Francisco/Seattle School Participation Division (SPD) has transferred Advance Beauty Techs Academy (ABTA) from the Heightened Cash Monitoring (HCM)1 method of payment to the HCM2 method of payment effective July 21, 2020. ABTA must immediately discontinue claim requirements for HCM1 and follow the claim requirements for HCM2 described below.

Under the HCM2 method of payment, ABTA may continue to obligate funds under the federal student financial assistance programs authorized by Title IV of the Higher Education Act of 1965, as amended. ABTA may disburse institutional funds to eligible students. If ABTA disburses institutional funds, the U.S. Department of Education (Department) will reimburse it for properly documented expenditures. The Department reserves the right to offset any federal claims against funds due to ABTA.

This action is authorized by Section 415 of the General Education Provisions Act, 20 USC 1226a-1, and by the following program regulations: 34 C.F.R. § 668.162, Student Assistance General Provisions.

The Department has taken this action because ABTA's accreditor, the National Accrediting Commission of Career Arts and Sciences, acted to withdraw ABTA's accreditation at their June 17, 2020 meeting, with the right to appeal.

Enclosed are the detailed instructions for all HCM2 requests. Please address all submitted requests and inquiries to:

Ms. Hyun Jhong Yi, Payment Analyst San Francisco/Seattle School Participation Division Federal Student Aid U.S. Department of Education 50 United Nations Plaza, Mailbox 1200, Suite 1273 San Francisco, CA 94102 Phone: (415) 486-5511 email: hyunjhong.yi@ed.gov

> 50 United Nations Plaza, Mailbox 1200, Suite 1273, San Francisco, CA 94102 StudentAid.gov

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Please note that the foregoing action does not preclude the Department from taking administrative action(s) against ABTA.

If you wish to discuss this matter, please contact me at (415) 486-5605, or via email at martina.fernandez-rosario@ed.gov.

Sincerely,

Martina Fernandez-Rosario Division Chief San Francisco/Seattle School Participation Division

Enclosures: Instructions for Obtaining Funds under HCM2 Method of Payment Student Data Spreadsheet required fields Claims Processing for Schools – User Guide

cc: Ms. Victoria Espinoza, Financial Aid Director National Accrediting Commission of Career Arts and Sciences, Accreditor California Bureau for Private Postsecondary Education, State Authorizing Agency