

February 3, 2017

Ms. Yolanda T. Duran, President Advance Beauty Techs Academy 2191 Sampson Avenue, Suite 105 Cornona, CA 92879-6572 UPS 2nd Day Delivery Tracking #: <u>1Z A87 964 02 9150 8514</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 1 (HCM1) to the HCM2 method of payment effective January 30, 2017.

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 1216a-1, and by the following program regulations: 34 C.F.R. § 668.162, Student Assistance General Provisions.

The Department has taken this action because of ABTA's failure to provide a Letter of Credit (LOC) as required in the Department's September 30, 2016 Provisional/LOC Alternative Letter.



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

Pat McAuley, Payment Analyst U.S. Department of Education San Francisco/Seattle School Participation Division Federal Student Aid 50 United Nations Plaza, Mailbox 1200, Suite 1273 San Francisco, CA 94102

Phone: (415) 486-5618 E-mail: Patricia.McAuley@ed.gov

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.

Sincerely,

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

Enclosures:

Instructions for Obtaining Funds under Heightened Cash Monitoring 2 Method of Payment Form 270 (Request for Title IV Reimbursement or Heightened Cash Monitoring 2 (HCM2)) Student Data Spreadsheet

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