



OCT 26 2022

Mr. Leif Green
President
The Young Americans College of the Performing Arts
1132 Olympic Drive
Corona, CA 92881-3390

Sent via UPS

Tracking #1Z 37X 7Y3 01 0592 9508

RE: OPE-ID 04277100

Dear Mr. Green:

This is to inform you that the United States Department of Education (“Department”) intends to fine The Young Americans College of the Performing Arts (“YACPA”) \$2,100, based upon the violation set forth in this notice. YACPA participates in the federal student financial aid programs authorized under Title IV of the Higher Education Act of 1965 (“HEA”), as amended, 20 U.S.C. §§ 1070 *et seq.* (“Title IV, HEA programs”). The Department is taking this fine action pursuant to § 487(c)(3)(B) of the HEA, 20 U.S.C. § 1094(c)(3)(B) and 34 C.F.R. § 668.84.

This fine action is based on YACPA’s failure to complete in a timely manner, and to the satisfaction of the Department, a survey conducted as part of the Integrated Postsecondary Education Data System (“IPEDS”). Specifically, YACPA failed to completely respond to and submit the following IPEDS survey:

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Federal regulations require that as a condition of continued participation in the federal student aid programs, all institutions must complete, in a timely manner, and to the satisfaction of the Department, surveys conducted as a part of the IPEDS. See § 487(a)(17) of the HEA, 20 U.S.C. § 1094(a)(17) and 34 C.F.R. § 668.14(b)(19).

Title IV, HEA program regulations permit a fine of up to \$62,689 for each violation of any provision of Title IV, or any regulation or agreement implementing that Title. 34 C.F.R. § 668.84(a). In determining the amount of a fine, the Department considers both the gravity of the offense and the size of the institution. 34 C.F.R. § 668.92(a).

Pursuant to the Secretary’s decision In the Matter of Bnai Arugath Habosem, Docket No. 92-131-ST (August 24, 1993), the size of an institution is initially based on whether an institution is

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Administrative Actions and Appeals Service Group
830 First St., N.E. Washington, D.C. 20002-8019
StudentAid.gov

above or below the median funding levels for the Title IV, HEA programs in which it participates. Thus, if the institution's funding level for the Title IV, HEA programs in which it participates is below the median amount for institutions participating in those programs, the institution will be considered small, and the fine will be lower. If an institution is above the median funding level, the fine amount increases based on the institution's total funding level for each program.

In the case of YACPA, the latest year for which complete funding data is available is the 2020-2021 award year. According to the Department's records, YACPA received approximately \$18,172 in Federal Pell Grant (Pell) funds, and \$126,652 in Federal Direct Loan funds. The latest information available to the Department indicates that the median funding level for institutions participating in the Federal Pell Grant program is \$1,582,746; and for institutions participating in the Federal Direct Loan programs, the median funding level is \$2,294,028. Accordingly, YACPA is a small institution because its funding levels for Federal Pell Grants, and Federal Direct Loans are below the median funding levels for those Title IV programs.

The violation involved is serious. Compliance with these reporting requirements is an important obligation for all institutions that participate in the federal student aid programs. Failure to respond to the IPEDS surveys in a timely manner deprives the Department of information needed to assess the propriety of YACPA's administration of the Title IV, HEA programs. After considering the gravity of the violation, including the failure of YACPA to completely respond to the survey, I have set the fine amount at \$2,100.

The fine of \$2,100 will be imposed on **November 15, 2022**, unless I receive, by that date, one of the following: 1) a request for a hearing to be conducted by the Office of Hearings and Appeals; or 2) a request for reconsideration of the fine by submitting written material indicating why the fine should not be imposed.

If YACPA chooses to request a hearing or to submit written material, you must write to me at:

Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid
830 First Street, NE – UCP-3, Room 84F2
Washington, DC 20002-8019

If YACPA files a timely request for a hearing, the case will be referred to the Office of Hearings and Appeals ("OHA"), which is a separate entity within the Department. OHA will arrange for assignment of YACPA's case to an official who will conduct a hearing. YACPA is entitled to be represented by counsel at the hearing and otherwise during the proceedings.

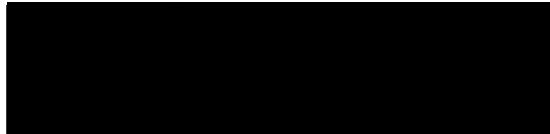
If YACPA does not request a hearing, but submits written material instead, I shall consider that material and notify YACPA of the amount of the fine, if any, that will be imposed.

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Any request for a hearing or written material that YACPA submits must be received by November 15, 2022; otherwise, the fine will be imposed on that date.

If you have any questions or desire any additional explanation of YACPA's rights with respect to this action, please contact Lawrence Mwethuku of my staff at 202-377-3684.

Sincerely,



Susan D. Crim, Director
Administrative Actions and Appeals Service Group
Federal Student Aid
U.S. Department of Education

cc: School Financial Aid Office
Tara Lawley, Postsecondary Branch Chief, Administrative Data Division, NCES
Annemarie Weisman, Office of Postsecondary Education
Kevin Bontenbal, Vice President, WASCJC, via kbontenbal@accjc.org
Deborah Cochrane, Chief, CA Bureau for Private Postsecondary Education, via
Compliance Unit Email, bppe.compliance@dca.ca.gov