

Iowa College Student Aid Commission

July 15, 2016



IowaCollegeAid.gov
Because College Changes Everything

IOWA COLLEGE STUDENT AID COMMISSION

Guiding Statements

Our Vision

All Iowans can achieve an education beyond high school.

Our Mission

We advocate for and support Iowans as they explore, finance and complete educational opportunities beyond high school to increase family and community success.

Our Motto

Because college changes everything.

Our Guiding Principles

- Put students first
- Respect and honor the dignity of each other and all those we serve
- Uphold the public trust
- Create and nurture internal and external partnerships that benefit our customers
- Provide services to our customers that exceed expectations and address their changing needs
- Develop and empower a motivated, compassionate, professional and accountable team
- Utilize evidence-based decision making

IOWA COLLEGE STUDENT AID COMMISSION

A G E N D A

July 15, 2016

10:00 a.m.

Iowa College Student Aid Commission
VIA Telephone Conference Call

- 1. Executive Director's ReportTab A Misjak
- *2. Minutes of Meeting May 20, 2016.....Tab B Misjak
- *3. Administrative RulesTab C Leeper
- *4. GEAR UP Trust Disbursement.....Tab D Brown
- *5. Committee Reports.....Tab E
 - Human Resources and Nominations Committee Commissioner Adams
 - Legislative Committee Commissioner Ash
 - Audit and Finance Committee..... Commissioner Wells
- 6. Staff ReportsTab F
 - Administrative Budget/Expenditure Summary.....May
 - Postsecondary Registration.....Small
- 7. Adjournment

* Indicates Action Item

UPCOMING MEETING DATE:

September 15, 2016 November 18, 2016
January 20, 2017 March 17, 2017
May 19, 2017

IOWA COLLEGE STUDENT AID COMMISSION

Executive Director's Report July 2016

AmeriCorps Planning Grant

Iowa College Aid received an AmeriCorps planning grant from The Iowa Commission on Volunteer Service. The grant will help build our capacity to apply for and manage a future AmeriCorps grant that supports the work of Local College Access Networks (LCANs). In our full AmeriCorps grant application, we will propose to engage AmeriCorps members in three roles: High School Mentors, Community Connectors/Volunteer Recruiters, and School Culture Changers.

AmeriCorps Mentors would work directly with high school students to support their graduation plans, connect them to tutoring and other resources, ensure that they graduate on time, prepare for college entrance exams, help them apply for scholarship and grant opportunities, and ensure that they complete the FAFSA. Mentors would also help students develop soft-skills by implementing GEAR UP Iowa's Noncognitive Curriculum, a curriculum developed by GEAR UP Iowa Research and Training Director, Professor Wade C. Leuwerke, Ph.D., and implemented by GEAR UP Iowa schools.

Community Connectors/Volunteer Recruiters would serve as a direct link between students and community resources. The AmeriCorps community connectors would serve on LCAN action teams, maintain and update the LCAN asset maps, develop and maintain relationships with local colleges and career-based programs, and recruit volunteers to serve as on-campus mentors.

School Culture Changers would work in local high schools to foster a college-going culture by implementing the 3-Step Process. The 3-Step Process implements the best practices from the First Lady's Reach Higher Initiative and engages high school seniors through FAFSA completion, College Application Campaign, and College Decision Day by making each a community-wide event. Members would plan events that engage students and their families in each step of the process and would expand the reach of our 3-Step Process into 9th, 10th, and 11th grades by implementing curriculum.

LCAN Update

In FY 2014 Iowa College Aid launched College Changes Everything, a collaborative place-based approach to address workforce needs and increasing educational

attainment in Iowa in support of Governor Branstad's 70% by 2025 college attainment goal. Iowa College Aid offers communities training and technical assistance as they develop sustainable Local College Access Networks (LCANs) using the Collective Impact Framework. The LCANs consist of a group of cross-sector influential leaders such as School Superintendents, College Presidents, Legislators, Mayors, Chief of Police, and Executive Directors from nonprofits and businesses, and leaders from state agencies such as Iowa Works.

To date, we have issued 14 grants to 9 communities around Iowa. The following communities have received a Planning Grant: Burlington, Cedar Rapids, Dubuque, Estherville, Hampton, Mason City, Muscatine, Ottumwa, and Sioux City.

Five of these communities have completed the Planning Grant phase and received a Launch Grant to help fund the items listed in their Common Agenda. These communities are Hampton, Mason City, Muscatine, Ottumwa, and Sioux City. Estherville is in the processes of writing their grant. The following 13 communities are considering to apply for a Planning Grant: Algona, Clinton, Council Bluffs, Creston, Fort Dodge, Grinnell, Manchester, Marshalltown, Quad Cities, Storm Lake, Waterloo, Waverly, and Waukon.

Communities who have completed the Launch Grant will be invited to apply for a third grant to help sustain their efforts and support Governor Branstad's 70% by 2025 goal in June 2017. Communities who have made significant progress toward their goals will then be invited to apply for additional grants.

For-Profit Accreditation

The Commission is closely monitoring recent events concerning a national accrediting agency of mostly for-profit career and vocational schools, the Accrediting Council for Independent Colleges and Schools (ACICS). Accrediting agencies are undergoing a routine, three-step process for renewal of their accrediting agency recognition by the federal Department of Education. At two of the three steps, it has been recommended that ACICS lose its accrediting agency recognition.

The federal Department of Education has until late September to rule on the future of this accrediting agency. As you may know, accreditation is a prerequisite for registration in Iowa. ACICS accredits two schools that are registered to operate in Iowa: ITT Technical Institute and Brown Mackie College. The sum of enrollment at both schools is approximately 250 students.

Condition of Higher Education Report

Iowa College Aid released “The 2016 Condition of Higher Education in Iowa” on July 1. The 36-page report looks at postsecondary attainment in Iowa, potential barriers for Iowa students, programs that can help overcome those barriers and how the statistics stack up against Iowa’s education goals. A printed copy of the report is included with the board book. Downloads are also available at IowaCollegeAid.gov.

**IOWA COLLEGE STUDENT AID COMMISSION
MINUTES OF MEETING
May 20, 2016
10:00 a.m.**

Members Present:

Janet Adams	Michael Ash
Amy Brace	Crystal Ford
Tedd Gassman	Frederick Moore
Katie Mulholland	Herman Quirnbach
Doug Shull	Jeremy Varner
Karolyn Wells	Cindy Winckler

Members Absent:

Roger Claypool	Tim Kraayenbrink
----------------	------------------

Staff Present:

Todd Brown	Jethro DeLisle
Jayna Grauerholz	Julie Leeper
Tristan Lynn	Jesse Martinez
Kris May	Karen Misjak
Julie Ntem	Zach Rhein
Christina Sibouih	Carolyn Small
Darcie Sprouse	Ashley Wendt

AG Present:

Sara Scott

Guests Present:

Cindy Axne	Axne Consulting
Matt Brown	Iowa Student Loan
Justin Carley	Banker's Trust
Angela Carlson	Capri College
Charlotte Eby	LS2 Group Representing Iowa Student Loan
Grant Dugdale	Attorney General's Office
Elizabeth Keest Sedrel	General Public
Robin Madison	Legislative Services Agency
Braden Renaud	Banker's Trust
Melissa Stover	Banker's Trust
Laurie Wolf	DMACC

Call to Order

The Iowa College Student Aid Commission met for a regularly scheduled meeting on May 20, 2016. Commission Chair Adams called the meeting to order at 10:02 a.m.

Executive Director's Report

Ms. Misjak said the Annual Performance Report for Year 2 of the GEAR UP Iowa Grant was submitted in April to the United States Department of Education. There are currently 6300 students in the cohort. A survey was done with both parents and students to obtain data to provide in the report as well as all services provided to this cohort along with the academic progress data. Ms. Misjak said staff has put into place a better tracking and evaluation process for schools to report student services to create a college going culture. The report highlighted both the activities and program impact in the report. This cohort of students is completing the 8th grade and staff will transition to working in the high schools across the state as the cohort starts 9th grade.

The first Annual GEAR UP Conference was hosted in April this year entitled: Share. Plan. Mobilize. Together We Rise. Ms. Misjak said over 100 educators attended the conference. There were great speakers and attendees were able to network and discuss best practices. The transition for students from middle school to high school was also discussed.

Ms. Misjak shared that staff is in the process of providing our Local College Access Network communities the second round of grants under the College Changes Everything Initiative. The goal for the communities is to increase college attainment rates. The funds used for these grants come from the College Access Challenge Grant we received from the United States Department of Education. The first set of grants were Planning Grants and the Launch Grants will allow communities to hire staff to start the execution of collaborative, data driven action plans. There were a total of 10 Planning Grants and there are 6 Launch Grant applications.

The Commission has received notification this week that we have been selected to receive a grant from Telligen. Ms. Misjak said it is a \$50,000 grant for a 1 year period to work to increase the number of students, particularly students from rural communities to enter health professions. Through our Local College Access Network communities in Mason City and Ottumwa, we will use our collective impact model to develop healthcare career pathways. Ms. Misjak shared that out of the 85 applicants that applied for the Telligen Grant only 10 were funded.

Commissioner Mulholland shared that the Regents are currently awaiting the final copy of the study that consultants provided regarding AIB. She said they expect the report to go public in the next couple weeks.

Minutes of Meeting

Motion: Commissioner Shull moved to approve the meeting minutes for February 5, 2016 as written. Commissioner Mulholland seconded the motion which passes unanimously.

FY 2017 Meeting Schedule

Motion: Commissioner Mulholland moved to approve the FY 2017 Meeting Schedule as written with one correction to change the May date to May 19, 2017. Commissioner Varner seconded the motion which passed unanimously.

Administrative Rules

Motion: Commissioner Ash moved to propose amendments to Administrative Rules Chapter 12 - Iowa Tuition Grant Program, Chapter 17 - Barber and Cosmetology Arts and Sciences Tuition Grant program, and Chapter 20 – National Guard Educational Assistance Program. Commissioner Shull seconded the motion which passed unanimously.

Motion: Commissioner Ash moved to adopt amendments to Administrative Rules Chapter 36 – Governor Terry E. Branstad Iowa State Fair Scholarship. Commissioner Shull seconded the motion which passed unanimously.

Ms. Leeper said the rules amend Chapter 21- Approval of Postsecondary Schools in general and specifically address registration of Iowa schools wishing to participate in the State Authorization Reciprocity Agreement (SARA). Because some Iowa schools must be able to register under SARA by July 2016 or begin registering in each of the states they are offering distance education and paying fees as high as \$10,000 per state, we are requesting to adopt the amendments as “Filed Emergency After Notice.” This will allow the rules to become effective immediately upon the Governor’s signature of SF 2323.

Ms. Leeper commented that there was a further proposed revision of the rules that was distributed to Commissioners prior to the meeting for review based on conversations during the Legislative Committee Meeting. Commissioner Ash said some of the language was confusing to the committee regarding the schools that have to register (out of state schools) and the schools in the state of Iowa that want to be exempt from registration and only submit the application to SARA. Ms. Scott raised concerns about the process stating there has not been an amended notice of intended action on any new changes made to the rule which would allow for public comment and participation. She recommended that the Commission adopt the original amendment as proposed by staff and then consider starting another amendment cycle with the latest proposed revisions.

Motion: Commissioner Ash moved to approve the rules that were published in the board book materials and be adopted as, "Filed Emergency After Notice." He further moved that at a later date the changes in the further proposed revision that were presented be submitted as a notice of intended action so that the Commission is able to have public comment on the suggested changes. Commissioner Shull seconded the motion which passed unanimously.

Commissioner Quirnbach agreed to move forward with the current rule that had public comment and that the additional changes be addressed in the July 2016 Commission meeting. This would allow the current rule language to move forward quickly. Chair Adams agreed and a consensus of the board is that the July Commission meeting will address the changes made in the second document.

Banker's Trust

Ms. Misjak introduced Melissa Stover from Banker's Trust to provide the annual presentation providing an overview of investments for the two trusts for the GEAR UP Scholarship. For GEAR UP 1.0, you will see the drawdowns we have made since 2014 to distribute to students attending college from the first cohort. For the GEAR UP 2.0 Trust, the Commission is depositing half of the annual grant amount received from the United States Department of Education. Ms. Stover introduced Justin Carle and Braden Reno from Capital Strategies. Mr. Carle provided an update on the GEAR UP Trusts for both 1.0 and 2.0.

Audit and Finance Committee Budget Report

Ms. May said the Audit and Finance Committee met and discussed the FY 2017 Budget and the Committee is recommending approval of the FY 2017 Budget as presented to the Commissioners. The committee also reviewed the FY 2016 financials and fund balances.

There was discussion regarding an FY 2015 Audit finding, Ms. May explained that scholarship and grant disbursements are reported by colleges and universities in the Commission's online scholarship and grant reporting system. After that information is reported by colleges and universities, Commission staff verifies that reported students are eligible and award amounts match established payment schedules prior to making payments. Although, Commission staff does not visit colleges/universities to verify that the information in their internal financial aid management systems matches what is reported to the Commission. The auditors identified this as a risk. They did not find any issues regarding student eligibility or mis-awarded funds, only a lack of procedures in place to audit the information reported by colleges and universities. Staff is developing policy and procedures on risk assessment of the colleges and universities for all scholarship and grant programs which could include going to the school for a compliance review. Staff will be sending a letter to colleges and universities in the near future informing them of a possible future audit.

Ms. May provided an update on the PLP status stating that no bids were received to purchase our portfolio and discussed no longer accruing interest as of July 1, 2016. Ms. May said the Audit and Finance Committee agreed.

Commissioner Ash questioned how we know the expenses that are in the budget are things that we have to do to function as an organization, whether or not we are required to do all of the programs we offer. He is concerned about the pool of money that we are using and asked if there is any effort to look at expenses so that they are kept in line as potential revenues to move toward our funding stream ending.

Ms. Misjak said Mark Weadick from Student Loan Capital Strategies will be working on our 7 year financial plan which will model out more extensively by doing a revenue and expenditure analysis. The model will look at how much we are taking out of the operating fund each year and provide more detail on the agency's financial outlook.

Commissioner Quirnbach said the Commission needs to do a better job of educating the legislature on our programs, that repetition is key.

Motion: Commissioner Shull moved to approve the proposed budgets for the Operating Fund, State Program Administration, Postsecondary Registration, Partnership Loan Program, and Federal Grants for

State Fiscal Year 2017. Commission Mulholland seconded the motion which passed unanimously.

Southern Regional Educational Board Contract

Ms. Sibouih said both the College Changes Everything initiative and the GEAR UP Iowa 2.0 project emphasize the importance of strong foundational training for schools, and particularly counselors, in college and career counseling. Trained counselors currently receive very minimal training in this aspect of their work, yet the demands upon them are increasing. As part of a 16-state, and growing network, the Go Alliance Academy Program offers accessible training that is also adaptable to our specific state needs. The cost for this contract is \$17,000 per year for two years. Staff will work with lead AEA counselor trainers, as Facilitators, to develop and implement the Iowa-specific format for the dissemination of these modules to counselors across the state, emphasizing GEAR UP Iowa and College Changes Everything communities.

Motion: Commissioner Mulholland moved to authorize the Executive Director to enter into a two-year contract, with annual one-year renewals, for a Go Alliance Academy subscription agreement with Southern Regional Educational Board (SREB). Commissioner Shull seconded the motion which passed unanimously.

ISL PLP Contract

Motion: Commissioner Ash moved to authorize the Executive Director to execute an amendment to the Iowa Partnership Loan Program Agreement with the Iowa Student Loan Liquidity Corporation. Commissioner Moore seconded the motion which passed unanimously.

Partnership Loan Program

Motion: Commissioner Shull moved to authorize staff to notify collection vendor to stop accrual of interest on defaulted Partnership Loan Program portfolio, effective July 1, 2016. Commissioner Mulholland seconded the motion which passed unanimously.

Amperage

Ms. Misjak said it is time for an extension of the marketing and communication contract that we have with Amperage. The Commission has been using Amperage, previously ME&V for many years. The contract amount is \$100,000. In FY 2015 we spent \$31,599 and to date we have spent \$14,551.87 for FY 2016.

Motion: Commissioner Wells moved to authorize staff to exercise the option for a one-year extension of the Public Relations and Communication Services Contract with Amperage. Commissioner Shull seconded the motion which passed unanimously.

Strategic plan

Ms. Misjak introduced Cindy Axne from Axne Consulting Group. Ms. Axne reviewed the process that staff took to develop our new Strategic Plan. Staff presented the 2016-2018 Strategic Plan.

Staff Reports

Ms. May provided an update of FY2016 year-to-date financials

Ms. Misjak said Mark Weadick will present during the November 2016 Commission Meeting on the 7-year financial plan.

Ms. Small provided an update on the Postsecondary Registrations that have been approved since the March 2016 Commission Meeting.

Commission adjourned at 12:48 p.m.

JANET ADAMS, CHAIR

CRYSTAL FORD, VICE CHAIR

IOWA COLLEGE STUDENT AID COMMISSION

Administrative Rules July 2016

RECOMMENDED ACTION:

Move to propose amendments to *Administrative Rules Chapter 8 – All Iowa Opportunity Scholarship and Chapter 35 – Iowa Teacher Shortage Loan Forgiveness Program.*

The proposed amendments to Chapter 8 strengthen the definition of “high school” and correct an Iowa Administrative Code reference.

The proposed amendments to Chapter 35 provide a definition of “eligible school or agency” and strengthen and update the definition of “teacher”.

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 261.3, the Iowa College Student Aid Commission hereby gives Notice of Intended Action to amend Chapter 8, “All Iowa Opportunity Scholarship Program,” and Chapter 35, “Iowa Teacher Shortage Loan Forgiveness Program,” Iowa Administrative Code.

The proposed amendments to Chapter 8 strengthen the definition of “high school” and correct an Iowa Administrative Code reference.

The proposed amendments to Chapter 35 provide a definition of “eligible school or agency” and strengthen and update the definition of “teacher”.

Interested persons may submit comments orally or in writing by 4:30 p.m. on September 6, 2016, to the Executive Director, Iowa College Student Aid Commission, 430 East Grand Avenue, Third Floor, Des Moines, Iowa 50309-1920. Written comments also may be sent by fax to (515)725-3401, by e-mail to julie.leeper@iowa.gov, or via the Iowa administrative rules Web site at <https://rules.iowa.gov>.

The Commission does not intend to grant waivers under the provisions of these rules.

After analysis and review of this rule making, the Commission finds that there is no impact on jobs.

These amendments are intended to implement Iowa Code chapter 261.

The following amendments are proposed.

ITEM 1. Amend paragraph **8.3(1)”a”** as follows:

a. An Iowa resident who begins his or her initial period of postsecondary enrollment within two academic years of graduation from a public or accredited nonpublic Iowa high school that is recognized and approved by the Iowa Department of Education;

ITEM 2. Amend subrule **8.4(6)** as follows:

8.4(6) Renewal. Applicants must complete and file annual applications (FAFSAs) for the all Iowa opportunity scholarship program by the deadline established by the commission. If funds remain available after the application deadline, the commission will continue to accept applications. To be eligible for renewal, a recipient must maintain satisfactory academic progress as defined by the eligible college or university and

must not have exceeded the funding limit as described in 8.4(6)(3).

ITEM 3. Amend subrule **35.2** as follows:

283—35.2(261) Definitions. As used in this chapter:

“Eligible school or agency” means a public school district, area education agency, charter school, and accredited nonpublic school recognized and approved by the Iowa department of education.

“Shortage area” means a geographic or subject area in which there exists teacher shortages as determined annually by the director of the Iowa department of education.

“Teacher” means an individual holding a practitioner’s license or a statement of professional recognition issued under Iowa Code chapter 272 and by the Iowa board of educational examiners, who is employed in a nonadministrative position in a designated shortage area by a school district or area education agency pursuant to a contract issued by a board of directors under Iowa Code section 279.13. “Teacher” also includes a preschool teacher who is licensed by the board of educational examiners under Iowa Code chapter 272 and is employed by an eligible school or agency. Further, a teacher is a licensed member of a school’s instructional staff who diagnoses, prescribes, evaluates, and directs student learning in a manner consistent with professional practice and school objectives, share responsibility for the development of an instructional program and any coordinating activities, evaluates or assesses student progress before and after instruction, and uses student evaluation or assessment information to promote additional student learning.

ITEM 4. Amend subrule **35.3(1)** as follows:

1. Applicants must be teaching in approved shortage areas at ~~Iowa kindergarten through twelfth grade schools recognized and approved by the Iowa department of education~~ an eligible school or agency.

RECOMMENDED ACTION:

Move to propose amendments to *Administrative Rules Chapter 21 – Postsecondary Registration.*

As agreed during the May 20, 2016, Commission Meeting, staff has prepared the attached Notice of Intended Action for discussion of potential changes to the “Adopted and Filed” rule on Postsecondary Education. Following are staff’s comments concerning each recommended change to the Rule.

Item 1: Including item “d” from Iowa Code section 261.9(1) would require all schools that must register in Iowa to comply with the following:

“Promotes equal opportunity and affirmative action efforts in the recruitment, appointment, assignment, and advancement of personnel at the institution and provides information regarding such efforts to the commission upon request.”

Staff recommends the requirement to provide this information be limited to Iowa schools eligible to participate in state-funded programs. However, schools that accept federal funding must comply with 41 CFR Part 60 which requires affirmative action policies for federal contractors. Therefore, most applicant schools under Iowa’s postsecondary registration requirements must, by federal law, comply with affirmative action policies.

Item 2: Staff has no objection to this change. The two words “or modify” were initially included in the language and can be reinserted.

Item 3: The recommended language was stricken in the adopted version of the postsecondary registration language as follows:

~~**21.12(3) 21.12(3)** A school that registers and pays fees under rule 283—21.12(261B,261G) is not required to pay fees under rule 283—21.15(261B,261G) if participating in the interstate reciprocity agreement. makes substantive changes in location, program offerings, or accreditation during its registration term must request that the commission approve a registration amendment. The school shall submit its amendment request in a format acceptable to the commission. The school’s amendment request shall be accompanied by a \$1,000 amendment fee payable to the state of Iowa. This fee is nonrefundable regardless of the commission’s decision with respect to the school’s registration amendment request.~~

Upon review, staff believes the language was stricken because it is included in 21.3(12) under “Registration approval criteria” as follows:

21.3(12) The school submits a request for amendment of its registration subject to commission approval in the event the school makes a substantive change in location, program offering, or accreditation during its registration term. A substantive

change in program offering occurs when a school proposes to initiate a program that requires the approval of the state board of education or any other program that prepares a student for an occupation that requires professional licensure in this state.

Staff recommends no change under this item – leaving the language as adopted by the Commission in May.

Item 4: Staff has no objection to this requirement.

Item 5: Staff has no objection to this requirement.

COLLEGE STUDENT AID COMMISSION [283]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 261.3, the Iowa College Student Aid Commission hereby gives Notice of Intended Action to amend Chapter 21, “Postsecondary registration,” Iowa Administrative Code.

The proposed amendments to Chapter 21 provide changes that require schools that must register under the rule to provide updates when programs covered under the registration are modified; require schools that register or file an exemption application under the rules to provide affirmative action information to the commission; and require schools participating in a state-authorized reciprocity agreement to work with the commission to resolve any complaints from students.

Interested persons may submit comments orally or in writing by 4:30 p.m. on September 6, 2016, to the Executive Director, Iowa College Student Aid Commission, 430 East Grand Avenue, Third Floor, Des Moines, Iowa 50309-1920. Written comments also may be sent by fax (515)725-3401, by e-mail to julie.leeper@iowa.gov, or via the Iowa Administrative Rules Web site at <https://rules.iowa.gov>.

The Commission does not intend to grant waivers under the provisions of these rules.

After analysis and review of this rule making, the Commission finds that there is no impact on jobs.

These amendments are intended to implement Iowa Code chapter 261, 261B, and 261G.

The following amendments are proposed.

Item 1: Amend subrule 21.3(5) as follows:

21.3(5) The applicant school provides the commission with institutional policies adopted by the school that comply with the requirements of Iowa Code section 261.9(1)“~~e~~”“~~d~~” to “h.”

a. For a program in which a student’s academic progress is measured only in clock hours, the school shall provide a full refund of tuition and mandatory fees to a student who withdraws and who requests that benefit under Iowa Code section 261.9(1)“g” for the payment period in which the student withdrew. The payment period is determined under rules promulgated by the United States Department of Education for the disbursement of federal Stafford loan funds.

b. The employee policy for reporting suspected incidents of child physical or sexual abuse required by Iowa Code section 261.9(1)“h” shall apply to individuals the school compensates to conduct activities on the school’s behalf at an Iowa location.

Item 2: Amend subrule 21.3(12) as follows:

21.3(12) The school submits a request for amendment of its registration subject to commission approval in the event the school makes a substantive change in location, program offering, or accreditation during its registration term. A substantive change in program offering occurs when a school proposes to initiate or modify a program that requires the approval of the state board of education or any other program that prepares a student for an occupation that requires professional licensure in this state.

Item 3: Amend subrule 21.14(1) subparagraph as follows:

21.14(1) A school claiming an exemption from registration under Iowa Code section 261B shall demonstrate the following:

a. The school provides the subsection under which it requests exemption from registration under Iowa Code chapter 261B.

b. If the school offers a course of instruction leading to a degree, with the exception of a school that qualifies for an exemption under Iowa Code section 261B.11, subsection 1, paragraph “h”, the school is accredited by an accrediting agency recognized by the United States Department of Education, and will notify the commission of any negative changes to its accrediting status.

c. The school will annually provide the commission with information about the numbers of minority students enrolled in and minority faculty members employed at the school.

~~*d.*~~ *e.* The school has a policy that prohibits unlawful possession, use, or distribution of controlled substances by students and employees on school-owned or leased property on in conjunction with activities sponsored by the school. The school will provide information about the policy to all students and employees, including any sanctions for violation of the policy and any substance abuse preventions programs for students and employees.

~~*e.*~~ *f.* The school has a policy addressing sexual abuse including counseling, campus security, education, and facilitating accurate and prompt reporting of sexual abuse.

~~*f.*~~ *g.* The school has an employee policy for reporting suspected incidents of child physical or sexual abuse that includes individuals the school compensates to conduct activities on the school’s behalf at an Iowa location.

~~*g.*~~ *h.* The school has a military refund policy for students who are members of the Iowa national guard or reserve forces of the United States and the spouses of such members if the members have dependent children when the members are ordered into active duty as required by Iowa Code section 261.9 subsection 1.g., Iowa Code section 262.9 subsection 30, and Iowa Code section 260C.14 subsection 20. The policy shall include:

1. Withdrawal from all or a portion of the student’s registration and receipt of a full refund of tuition and mandatory fees the school assessed for courses from which the student withdrew. For a program in which a student’s academic progress is measured only in clock hours, the school shall provide a full refund of tuition and mandatory fees to a student who withdraws and who requests that benefit for the payment period in which the student withdrew. The payment period is determined under rules promulgated by the United States Department of Education for the disbursement of federal Stafford loan funds.

2. Making arrangements for grades or for incomplete grades that will be completed at a later date.

~~*h.*~~ *i.* The school posts a list of required and suggested textbooks for all courses and corresponding international standard book numbers for such textbooks at least 14 days before the start of each semester or term at the locations where textbooks are sold on campus and on the school’s Internet site.

~~*i.*~~ *j.* The school has procedures for preservation of student records and the contact information to be used by students and graduates who seek to obtain transcript information.

~~*j.*~~ *k.* A covered institution under Iowa Code chapter 261F has a code of conduct that complies with Iowa Code section 261F.2.

~~*k.*~~ *l.* A covered institution under Iowa Code chapter 261F with a preferred lender list meets the requirements of Iowa Code section 261F.6.

~~*l.*~~ *m.* The school will provide the commission with the name and business contact information for a person whom the school designates to receive student complaints from the commission and coordinate the school’s response. The commission will provide a link to a page on its website for students to use to seek additional

information about a school or to file a complaint about a school. A school that is approved for an exemption from registration will prominently provide on its website the link to the commission's web page for students.

Item 4: Amend subrule 21.15(3) subparagraph as follows:

21.15(3) The commission will provide a link to a page on its website for students to use to seek additional information about a school or to file a complaint about a school. An approved school will prominently provide on its website the link to the commission's web page for students. The school will provide the commission with the name and business contact information for a person whom the school designates to receive student complaints from the commission and coordinate the school's response. The school will work with the commission to resolve any complaints arising from its students enrolled in programs the school offers under the commission-approved interstate reciprocity agreement.

IOWA COLLEGE STUDENT AID COMMISSION
GEAR UP Scholarship Disbursement of Funds
July 2016

Recommended Action:

Move to authorize staff to draw down up to \$6 million from the GEAR UP 1.0 Scholarship Trust account managed by Banker's Trust for scholarships to GEAR UP students during the 2016-17 academic year.

IOWA COLLEGE STUDENT AID COMMISSION

**Human Resources and Nominations Committee
July 2016**

The Committee is making the following nominations for FY2017.

Audit and Finance Committee

Karolyn Wells
Doug Shull
Roger Claypool

Human Resources and Nominations Committee

Janet Adams
Crystal Ford
Amy Brace

Legislative Action Committee

Michael Ash
Fred Moore
Katie Mulholland
Jeremy Varner
Tim Kraayenbrink
Ted Gassman
Herman Quirnbach
Cindy Winckler

Iowa Coordinating Council for Post-High School Education (ICCPHSE)

Julie Leeper, Delegate
Karen Misjak, Alternate Delegate

IOWA COLLEGE STUDENT AID COMMISSION

**Legislative Committee
July 2016**

A Legislative Committee report will be provided during the July 15, 2016 Commission Meeting.

IOWA COLLEGE STUDENT AID COMMISSION

**Audit and Finance Committee
July 2016**

An Audit and Finance Committee report will be provided during the July 15, 2016 Commission Meeting.

**IOWA COLLEGE STUDENT AID COMMISSION
OPERATING FUND 0163 - YEAR TO DATE UNIT DETAIL
SUMMARY OF RESOURCES AND EXPENDITURES
SFY 2016 as of June 30, 2016**

Operating Fund	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	YTD	YTD	YTD Actual
	2001	2002	3004	4001	5002	5003	7007	8008	9001	9008			
	ADMIN	MARKETING	FFELP	JR JUSTICE	S&G	POSTSEC REG	CCE/ CHALLENGE E GRANT	PLP	GEAR UP SCH	GEAR UP	TOTAL	TOTAL	Variance
Revenues/Resources:													
1 Interest on Operating Fund	104,284	-	-	-	-	-	-	-	-	-	104,284	50,000	54,284
2 Other Revenue/ PLP & Great Lakes Revenue (P&I)	75	-	4,216,758	-	-	-	586	155,207	7,374	-	4,380,000	2,235,065	2,144,935
3 Intra-Agency Reimbursements	1,686	-	-	902	21,065	-	-	-	2,370,138	-	2,393,791	1	2,393,790
4 Intra State Transfer	-	-	-	-	-	46,053	-	-	-	-	46,053	70,000	(23,947)
5 Grant DrawDown from USDE	-	-	-	27,755	17,114	-	334,624	-	2,370,138	1,340,380	4,090,011	11,293,795	(7,203,784)
6 Reimbursements from other Entities	222	-	-	-	-	-	-	-	-	-	222	1	221
7 Gov Transfer In Other Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Fees, Licenses & Permits	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Unearned Receipts	-	-	-	-	-	-	50,000	-	-	-	50,000	-	50,000
10 State Appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues/Resources	\$ 106,267	\$ -	\$4,216,758	\$ 28,657	\$ 38,179	\$ 46,053	\$ 385,210	\$155,207	\$ 4,747,650	\$1,340,380	\$ 11,064,361	\$13,648,862	\$ (2,584,501)
Expenditures:													
11 Personal Services	1,352,105	342,884	-	-	103,211	192,718	181,476	-	-	463,612	2,636,006	2,949,027	(313,021)
12 Travel	12,235	(22,040)	-	-	2,402	2,849	26,338	-	-	116,594	138,378	141,114	(2,736)
13 Office Supplies	20,543	3,014	-	-	939	536	575	-	-	1,891	27,498	51,563	(24,065)
14 Equipment Repairs	-	-	-	-	-	-	-	-	-	-	-	1,300	(1,300)
15 Professional & Scientific Supplies	-	-	-	-	-	-	-	-	-	-	-	1	(1)
16 Other Supplies	-	-	-	-	-	-	-	-	-	4,913	4,913	-	4,913
17 Printing and Binding	297	39,053	-	-	50	-	9,223	-	-	8,839	57,462	129,301	(71,839)
18 Food	131	-	-	-	-	-	-	-	-	-	131	400	(269)
19 Postage	2,831	15,844	-	-	1,437	-	128	-	-	5,169	25,409	31,501	(6,092)
20 Communications	19,419	1,975	-	-	2,520	674	5,000	-	-	4,246	33,834	40,185	(6,351)
21 Rentals	176,158	385	-	-	-	-	-	-	-	400	176,943	162,608	14,335
22 Professional & Scientific Services	11,500	-	-	-	4,753	-	40,000	-	-	68,717	124,970	36,500	88,470
23 Outside Services - Other	30,379	1,575	-	-	4,479	1,569	45,144	43,043	882	797,438	924,509	1,338,292	(413,783)
24 Intra-State Transfers	9,180	-	-	-	-	-	1,020	-	-	-	10,200	88,039	(77,839)
25 Advertising & Publicity	-	25,521	-	-	-	-	-	-	-	162	25,683	121,400	(95,717)
26 Attorney General	30,301	-	-	-	-	-	-	-	-	-	30,301	35,000	(4,699)
27 State Audits	13,100	-	-	-	-	-	-	-	-	-	13,100	34,125	(21,025)
28 State Reimbursements	24,345	93	-	-	1,976	233	465	-	-	1,277	28,389	51,859	(23,470)
29 ITE Reimbursements	102,553	3,439	-	-	751	280	399	-	-	950	108,372	184,969	(76,597)
30 IT Outside Services	3,259	-	-	-	408,060	-	-	-	-	-	411,319	800,407	(389,088)
31 Intra-Agency Reimbursements	(1,941,451)	(418,678)	-	18,339	748,161	228,933	526,309	7,080	120,367	717,479	6,538	1	6,537
32 Equipment	-	5,183	-	-	-	-	-	-	-	-	5,183	28,000	(22,817)
33 Office Equipment	-	-	-	-	-	-	-	-	-	-	-	12,000	(12,000)
34 IT Equipment & Software	132,090	-	-	-	790	-	505	-	-	2,450	135,835	270,031	(134,196)
35 Other Expenses & Obligations	-	1,752	-	-	1,021	-	-	-	-	-	2,773	2,856	(83)
36 Licenses	-	-	-	-	-	-	-	-	-	28,000	28,000	-	28,000
37 Fees	-	-	-	-	-	-	-	-	-	-	-	1	(1)
38 Other Refunds	-	-	37	-	-	-	-	-	-	-	37	1,500	(1,463)
39 Outside Repairs/Services	1,025	-	-	-	-	-	-	-	-	-	1,025	1	1,024
40 State Aid	-	-	-	-	-	-	-	-	-	-	-	9,009,286	(9,009,286)
41 Aid to Individuals	-	-	-	28,794	-	-	23,149	-	4,979,669	-	5,031,612	-	5,031,612
Total Expenditures	\$ -	\$ -	\$ 37	\$ 47,133	\$ 1,280,550	\$ 427,792	\$ 859,731	\$ 50,123	\$ 5,100,918	\$2,222,137	\$ 9,988,420	\$15,521,267	\$ (5,532,847)
Net Gain(Loss)Operating Fund	\$ 106,267	\$ -	\$4,216,721	\$ (18,476)	\$(1,242,371)	\$ (381,739)	\$(474,521)	\$105,084	\$ (353,268)	\$ (881,757)	\$ 1,075,941	\$(1,872,405)	\$ 2,948,346

IOWA COLLEGE STUDENT AID COMMISSION
OPERATING FUND 0163 - YEAR TO DATE/PRIOR YEAR ACTUAL COMPARISON BY UNIT
SUMMARY OF RESOURCES AND EXPENDITURES
SFY 2016 as of June 30, 2016

Operating Fund	Class	FY 2016 Operating Budget	FY 2016 Year to Date Budget	FY 2015 Jun-15 Mth Actual	FY 2016 Jun-16 Mth Actual	FY 2015 Year to Date Actuals	FY 2016 Year to Date Actuals	YTD Actual to Budget Variance
Revenues/Resources:								
1	Interest on Operating Fund (2001)	50,000	50,000	10,898	18,633	70,201	104,284	54,284
2	Other Revenue/ PLP & Great Lakes Revenue (P&I)	2,235,065	2,235,065	541,340	408,784	2,898,883	4,380,000	2,144,935
3	Intra-Agency Reimbursements	1	1	2,950,777	45,046	2,952,948	2,372,726	2,372,725
4	Reimbursement Other Agencies	1	1	-	-	-	222	221
5	Intra State Transfer	70,000	70,000	-	-	56,411	67,118	(2,882)
Total Revenues/Resources		\$ 2,355,067	\$ 2,355,067	\$ 3,503,015	\$ 472,463	\$ 5,978,442	\$ 6,924,350	\$ 4,569,283
Expenditures:								
6	Agency Administration (2001)	1,562,484	1,498,955	167,354	-	1,888,145	-	(1,498,955)
7	Marketing Administration (2002)	511,238	492,096	20,891	-	362,911	-	(492,096)
Total Administrative		\$ 2,073,722	\$ 1,991,051	\$ 188,245	\$ -	\$ 2,251,056	\$ -	\$ (1,991,051)
8	FFELP Expense (3004)	501	501	-	-	-	37	(464)
9	Collection Expense - PLP (8008)	66,606	66,606	5,241	3,683	65,318	50,123	(16,483)
Total FFELP and Collection Expenses		\$ 67,107	\$ 67,107	\$ 5,241	\$ 3,683	\$ 65,318	\$ 50,160	\$ (16,947)
10	Scholarship and Grants (5002)	1,721,373	1,721,260	11,220	20,852	329,611	1,280,550	(440,710)
11	Postsecondary Registration (5003)	483,232	474,977	8,367	20,327	150,257	427,792	(47,185)
Total Osteo, S&G, Postsecondary Reg		\$ 2,204,605	\$ 2,196,237	\$ 19,587	\$ 41,179	\$ 479,868	\$ 1,708,341	\$ (487,896)
Total Operating Expenses		4,345,434	4,254,395	213,073	44,862	2,796,242	1,758,502	(2,495,893)
Net resources (exp) before other		\$ (1,990,367)	\$ (1,899,328)	\$ 3,289,942	\$ 427,601	\$ 3,182,200	\$ 5,165,848	\$ 7,065,176
Federal Grant Resources (Grant Drawdown)								
12	Gear Up Grant (9008)	3,219,603	3,219,603	82,999	167,542	312,332	1,340,380	(1,879,223)
13	Gear Up Scholarship (9001) (5002)	7,500,000	7,500,000	(2,900,857)	45,046	2,948,717	2,387,252	(5,112,748)
14	JR Justice (4001)	50,000	50,000	-	-	59,869	27,755	(22,245)
17	Challenge Grant (7007)	524,192	524,192	535,888	118,739	615,370	384,624	(139,568)
Total Federal Grant Resources		\$ 11,293,795	\$ 11,293,795	\$ (2,281,970)	\$ 331,327	\$ 3,936,288	\$ 4,140,011	\$ (7,153,784)
Federal Grant Expenditures (grants)								
18	Gear Up Grant (9008)	3,219,603	3,201,296	117,703	213,807	453,284	2,222,137	(979,159)
19	Gear Up Scholarship (9001)	7,500,000	7,500,000	121,456	352,835	6,015,857	5,100,918	(2,399,082)
20	JR Justice (4001)	50,000	50,000	2,060	0	55,103	47,133	(2,867)
21	Challenge Grant/VISTA (7007)	524,192	515,576	538,215	16,697	627,538	859,731	344,155
Total Federal Grant Expenditures		\$ 11,293,795	\$ 11,266,872	\$ 779,434	\$ 583,339	\$ 7,151,782	\$ 8,229,918	\$ (3,036,954)
Net Federal Grant Income (loss)		\$ -	\$ 26,923	\$ (3,061,404)	\$ (252,012)	\$ (3,215,494)	\$ (4,089,907)	\$ (4,116,830)
Net Gain (Loss) Operating Fund		\$ (1,990,367)	\$ (1,872,405)	\$ 228,538	\$ 175,589	\$ (33,294)	\$ 1,075,941	\$ 2,948,346

IOWA COLLEGE STUDENT AID COMMISSION
SCHOLARSHIP & GRANT ADMINISTRATION
SUMMARY OF EXPENDITURES
SFY 2016 as of June 30, 2016

State Appropriated - \$431,896

	FY 2015	FY 2016	FY 2016	FY 2016	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Expenditures:					
1 Salaries	\$ 232,420	\$ 458,282	440,656	\$ 355,771	\$ (84,885)
2 Travel	-	-	-	-	-
3 Office Supplies	-	-	-	-	-
4 Equipment Repairs	-	-	-	-	-
5 Printing	-	-	-	-	-
6 Postage	-	-	-	-	-
7 Communications	-	-	-	-	-
8 Rental	-	-	-	-	-
9 Professional Services	-	-	-	-	-
10 Outside Services	-	-	-	-	-
11 State Transfers	-	-	-	-	-
12 State Reimbursements	-	-	-	-	-
13 ITD Reimbursements	17,689	-	-	-	-
14 Office Equipment	-	-	-	-	-
15 IT Equipment & Software	-	-	-	-	-
16 Other Expenses & Obligations	-	-	-	-	-
Total Expenditures	\$ 250,109	\$ 458,282	\$ 440,656	\$ 355,771	\$ (84,885)

Non Appropriated (Covered by Operating Fund 0163-Unit 5002)

	FY 2015	FY 2016	FY 2016	FY 2016	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Expenditures:					
17 Salaries	29,346	2,934	2,821	103,211	100,390
18 Travel	2,365	13,920	13,920	2,402	(11,518)
19 Office Supplies	311	2,570	2,570	939	(1,631)
20 Professional Services	3,802	-	-	4,753	4,753
21 Printing	-	1,000	1,000	50	(950)
22 Postage	1,724	4,000	4,000	1,437	(2,563)
23 Communications	3,172	2,774	2,774	2,520	(254)
24 Rental	-	-	-	-	-
25 Outside Services	5,713	6,000	6,000	4,479	(1,521)
26 State Transfers	-	26,386	26,386	-	(26,386)
27 State Reimbursements	1,652	1,820	1,820	1,976	156
28 ITD Reimbursements	1,646	1,425	1,425	751	(674)
29 Intra-Agency Reimbursements	750,546	856,544	856,544	748,161	(108,383)
30 Office Equipment	-	-	-	-	-
31 IT Equipment & Software	1,185	2,000	2,000	790	(1,210)
32 IT Outside Services	158,391	800,000	800,000	408,060	(391,940)
33 Other Expenses & Obligations	-	-	-	1,021	1,021
Total Expenditures	\$ 959,853	\$ 1,721,373	\$ 1,721,260	\$ 1,280,550	\$ (440,710)

Total Expenditures (Appropriated + Non-Appropriated)

	FY 2015	FY 2016	FY 2016	FY 2016	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Expenditures:					
34 Salaries	\$ 261,766	\$ 461,216	\$ 443,477	\$ 458,982	\$ 15,505
35 Travel	2,365	13,920	13,920	2,402	(11,518)
36 Office Supplies	311	2,570	2,570	939	(1,631)
37 Equipment Repairs	3,802	-	-	4,753	4,753
38 Printing	-	1,000	1,000	50	(950)
39 Postage	1,724	4,000	4,000	1,437	(2,563)
40 Communications	3,172	2,774	2,774	2,520	(254)
41 Rental	-	-	-	-	-
42 Outside Services	5,713	6,000	6,000	4,479	(1,521)
43 State Transfers	-	26,386	26,386	-	(26,386)
44 State Reimbursements - Other	1,652	1,820	1,820	1,976	156
45 ITD Reimbursements	1,646	1,425	1,425	751	(674)
46 Intra-Agency Reimbursements	768,235	856,544	856,544	748,161	(108,383)
47 Office Equipment	-	-	-	-	-
48 IT Equipment & Software	1,185	2,000	2,000	790	(1,210)
49 IT Outside Services	158,391	800,000	800,000	408,060	(391,940)
49 Other Expenses & Obligations	-	-	-	1,021	1,021
Total Expenditures	\$ 1,209,962	\$ 2,179,655	\$ 2,161,916	\$ 1,636,321	\$ (525,595)
Check	-	-	-	-	-

IOWA COLLEGE STUDENT AID COMMISSION

Postsecondary Registration July 2016

Postsecondary Registration Approvals

Staff has approved the following noncontroversial registration applications since the last report to Commissioners in May of 2016.

St. Luke's College (Iowa) – SARA Approved
Northwest Iowa Community College (Iowa) – SARA Approved
St. Ambrose University (Iowa) – SARA Approved
Clarke University (Iowa) – SARA Approved
Brown Mackie College (out-of-state)
Ultimate Medical Academy (out-of-state)
University of Wisconsin-Platteville (out-of-state)

The following additional, Iowa schools who are interested in SARA participation have submitted voluntary registration applications that are under review:

Mount Mercy University
Palmer College of Chiropractic

Exemption & SARA Approvals

Staff has approved the following schools' application for exemption from registration and participation in SARA under new consumer protection rules for exempt schools that became effective on May 27, 2016:

Des Moines Area Community College
Eastern Iowa Community Colleges (Clinton, Muscatine, Scott)
Ellsworth Community College (IVCCD)
Hawkeye Community College
Indian Hills Community College
Iowa Central Community College
Iowa Lakes Community College
Iowa Valley Community College District
Iowa Western Community College
Kirkwood Community College
Marshalltown Community College (IVCCD)
North Iowa Area Community College
Northeast Iowa Community College
Northwest Iowa Community College
Southeastern Community College
Southwestern Community College

The following additional Iowa schools have submitted exemption applications that are under review:

Western Iowa Tech Community College