

Iowa College Student Aid Commission
May 20, 2011



IOWA COLLEGE STUDENT AID COMMISSION

Guiding Statements

Our Mission

We advocate for, and provide a continuum of services to support, Iowa students and families as they explore and finance educational opportunities beyond high school.

Our Motto

Your Financial Aid Connection.

Our Vision

All Iowans can achieve an education beyond high school.

Our Guiding Principles

We believe in the value of education and our commitment is to:

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

IOWA COLLEGE STUDENT AID COMMISSION

A G E N D A

May 20, 2011

10:00 a.m.

Iowa College Student Aid Commission Conference Room

- *1. Minutes of Meeting.....Tab A
 - March 18, 2011
- 2. Executive Director's ReportTab B Misjak
- *3. Proposed Meeting ScheduleTab C Commissioner Adams
- *4. ColorFX Contract ExtensionTab D Anderson
- *5. Postsecondary Registration.....Tab E..... Small
 - Rasmussen College
 - University of the Rockies
- *6. Audit and Finance Committee ReportTab F..... Commissioner Utman
 - *Guaranteed Student Loan Budget
 - *Program Administration Budget
 - *Default Prevention Budget
 - *GEAR UP Budget
- 7. Committee ReportsTab G
 - Legislative Committee Commissioner Adams
 - Human Resources and Nominations Committee..... Commissioner Adams
- 8. Staff ReportsTab H
 - Administrative Budget/Expenditure Summary.....Krueger
 - I Have A Plan Iowa Budget Review.....Krueger
 - GEAR UP Budget ReviewAnderson
- 9. Adjournment

* Indicates Action Item

UPCOMING MEETING DATE:

Upcoming meeting dates will be set during the May 20, 2011 Commission Meeting.

IOWA COLLEGE STUDENT AID COMMISSION

MINUTES OF MEETING

March 18, 2011

10:00 a.m.

**Iowa College Student Aid Commission
603 East 12th Street, 5th Floor, Des Moines, Iowa 50319
Conference Room**

Members Present:

Janet Adams	Timothy P. Cole
Robert Denson	Bob Donley
Crystal Ford	Shazia Manus
Terrence Martin	Frederick Moore
Herman Quirnbach	Kelli Todd
Roger Utman	Cindy Winckler

Members Absent:

Randy Feenstra	Ron Jorgensen
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Staff Present:

Michael Anderson	Todd Brown
Jeremy Davis	Deb Krueger
Julie Leeper	Karen Misjak
Julie Ntem	Carolyn Small
Ashley Wendt	

AG Present:

David Van Compernelle

Guests Present:

Robert Armbrust	University of Phoenix
Marsha Boender	Iowa Student Loan
Sandra Dop	IA Department of Education
Aaron Lacey	Vatterott College
Bond Lovasz	Vatterott College
Chris Mason	University of Phoenix
Barbara McDaniel	XAP Corporation
John Parker	Iowa Student Loan
Dan Richins	Ashford University
Susan Sowah	XAP Corporation
Scott Stegg	University of Phoenix

Call to Order

The Iowa College Student Aid Commission met for a regularly scheduled meeting on March 18, 2011. Commission Chair Adams called the meeting to order at 10:00 a.m. with a quorum present.

Minutes of Meeting

Motion: Commissioner Donley moved to approve the January 21, 2011 meeting minutes as written with a note stating the presentation by Don Norris was rescheduled for April 28, 2011, due to weather. Commissioner Moore seconded the motion which passed unanimously.

Executive Director's Report

Ms. Misjak shared a video from news coverage of an award certification ceremony for senior students from CAL Community Schools. Lt. Governor Reynolds attended to present students with their certificate for completing the Iowa Financial Literacy Program that is provided through the I Have A Plan™ web portal. Ms. Misjak said the Iowa Financial Literacy Program was launched on February 9, 2011 and there are 1,462 students that have signed on to the program. There are other senior classes whom are very close to completing the platform that will be receiving their certification very soon. Commission staff is tracking how many students are certified. Ms. Misjak said that Commission staff presented the Iowa Financial Literacy Program to the House Education Committee on March 15, 2011 and received very positive feedback. Commissioner Winckler said that legislators were pleased this was included in the Iowa Core. Commissioner Denson asked for a list of schools that are a part of this program.

Ms. Misjak said that staff has not yet been notified of the anticipated visit from the U.S. Department of Education regarding FISMA. Staff continues to work hard to make sure the Commission complies with the requirements of FISMA. Commissioner Denson said that DMACC purchased liability insurance to help with the cost if a breach in information occurs and that this may be something that the Commission may want to look into. Commissioner Moore added if there is a breach that it can be very expensive and each state has different statutes and requires different things. He agrees that the Commission should look into the liability insurance and suggests scrutinizing the policy very carefully.

Ms. Misjak reported that there have been 51,718 FAFSA's submitted which is an increase of 9.9% from the same time last year and the financial aid application has increased by 142%. There have been 3,858 financial aid application completed this year and last year at this time there were only 1,600. The increase is partially due to the integration between the FAFSA and Iowa Financial Aid Application for Iowa Residents.

There have been 2,600 applications submitted for the All Iowa Opportunity Scholarship. Staff was able to verify all information in only three days this year. Of these applicants, approximately 1,599 students met the baseline eligibility criteria.

Legislative Committee Report

Ms. Leeper provided Commissioners with a tracking sheet of all current bills pertaining to the Commission. Commissioner Winckler thanked Commissioner Quirnbach for sponsoring the bills in the Senate. Ms. Leeper said that it is very helpful to have legislators that are familiar with the Commission and that have an understanding of the students and families that the Commission serves. Commissioner Quirnbach also thanked Commissioner Winckler for her service on the Education Appropriations Sub-Committee.

Commissioner Cole requested the "Dear Colleague Letter" regarding the implementation of program integrity regulations that was dated March 17, 2011 be sent out to all Commissioners.

Registration Fees

Ms. Small said staff requests permission to propose an amendment to Administrative Rules increasing the fee charged to a registered school under Chapter 261B.8.

Motion: Commissioner Utman moved to authorize staff to recommend an increase in the fee charged to a registered school under Chapter 261B.8. Commissioner Donley seconded the motion which passed unanimously.

Ms. Small added that the fee will remain a flat fee, and is going to recommend that it go from \$4,000 to \$8,000. A discussion of the fee will be had when the Administrative Rule change is brought forward.

Full-Time Faculty Member/Program Coordinator

Ms. Small said staff requests permission to propose an amendment to Administrative Rules to request a waiver of the full-time Iowa faculty member or program coordinator requirement for any registration applicant that does not meet this criterion and the proposes to offer programs exclusively via distance education or other nontraditional delivery method. Ms. Small said that schools are required to submit a course catalog and policies are in place for consumer protection and that the Commission's information is available as a point of contact for concerns.

Motion: Commissioner Moore moved to authorize staff to recommend a waiver of the full-time Iowa faculty member or program coordinator requirement for any registration

applicant that does not meet this criterion and that proposes to offer programs exclusively via distance education or other nontraditional delivery method. Commissioner Utman seconded the motion which passed unanimously.

Ms. Small said the Administrative Rule proposal will be prepared and presented during the May 2011 Commission Meeting. Commissioner Quirnbach requested that there be language in the rule stating that it is provisional or conditional approval and a consumer protection policy.

Registration Amendment-Vatterott

Ms. Small presented Vatterott College's request to amend its postsecondary registration by adding an additional location by offering online programs through it Sunset Hills, Missouri location. Commissioner Cole requests Vatterott to change the title of "Clinical" or "Externship" to "Practical Lab". Vatterott College representatives said they would be happy to do so.

Motion: Commissioner Donley moved to approve Vatterott College's application to amend its Iowa registration by adding an additional location, at the Sunset Hills, Missouri campus, with the following stipulation:

Vatterott College must notify the Commission within 90 days of the establishment of a Practical Lab experience which is a change in title from clinical location in Iowa for the Medical Assistant Program offered through the Sunset Hills, Missouri campus.

Commissioner Moore seconded the motion which passed unanimously.

Xap Presentation

Mr. Anderson made a presentation on the deliverables, milestones, payments, budgets, data, and feedback on the I Have A Plan™ web portal. Mr. Anderson introduced Ms. Susan Sowah who spoke about the relationship between XAP Corporation and the Commission. Ms. Sowah went through what the I Have A Plan™ web portal provides to constituents. Mr. Anderson then broke down the budget and payments made by the Commission for this program. Mr. Anderson shared data about the accounts created and the completion numbers. Commissioner Denson requested staff to provide Commissioners with a list of the 51 schools that are not participating in the I Have A Plan™ program. Ms. Dop from the Department of Education said this mandate is in the Iowa Code and presented Commissioners with a copy of that code. The conclusion of this presentation was feedback from users and educators on the program.

Staff Reports

Ms. Krueger presented the administrative budget and expenditure summary. Commissioner Denson requested the cost per square foot of the remodel. Commissioner Denson also requested a separate budget for the I Have a Plan web portal. This information will be given during the May 2011 Commission Meeting.

Commission Adjourned at 12:46 p.m.

JANET ADAMS, CHAIR

TIMOTHY COLE, VICE CHAIR

IOWA COLLEGE STUDENT AID COMMISSION

Executive Director's Report May 2011

2010 State Audit

The exit interview with the State Auditor's Office for the FY 2010 Audit was on April 30, 2011. Deb Kruger and Karen Misjak attended this meeting. There were no findings to be reported on the Audit Report.

Impact of Continuing Resolution

In April, Congress passed a Continuing Resolution (CR) to fund the Federal Government for Federal Fiscal Year 2011. Funding for a number of federal programs was either reduced or eliminated in the Resolution. Of major importance to college students, the maximum Federal Pell Grant award was maintained for 2011-12, but year-round Pell Grants were eliminated.

These reductions and eliminations also impacted federal programs directly administered by the Commission. Funding for the Robert C. Byrd Honors Scholarship and Leveraging Education Assistance Partnerships (LEAP) were eliminated in the FY11 budget. Funding for these programs is not likely to reappear in FY12 budget. Because Iowa has not received LEAP funds for the past two years, the elimination of these funds will not impact award commitments for 2011-12. However, Robert C. Byrd Honors Scholarship applications for the 2011-12 academic year were already being accepted when these budgetary changes occurred. New applicants have been notified that funding was eliminated for this program and they will not be receiving any scholarship funds. Commission staff is waiting for guidance from USDE if the 231 renewal recipients will be awarded this year and for the remainder of their eligible years. These recipients have been notified of the elimination of the federal appropriation and are aware they may not receive Byrd Scholarship funding in 2011-12.

Changes to GEAR UP funding were also included in the CR. Current GEAR UP grantees (such as ICSAC) will not be impacted by the FY11 funding reduction; only new GEAR UP applicants will be impacted by the decrease in funding. There is currently no impact on the College Access and Challenge Grant (CACG), although the House committee proposal for FY12 includes information regarding a possible repeal of mandatory spending for CACG.

Impact of Federal Rules on State Authorization for Postsecondary Institutions Receiving Federal Student Aid

On October 29, 2010, the U.S. Department of Education published regulations that impact a school's ability to provide federal student aid to otherwise qualified students, based on whether the state in which a school is physically located has authorized that school by name and as a postsecondary institution in that state. A school may demonstrate authorization in a state through a state law, charter, constitutional provision, or other action issued by an appropriate state agency or State entity. The school must also comply with any state approval, licensure, or what we in Iowa call registration requirements, if applicable.

With a single exception, all truly Iowa-based schools are exempt from seeking registration through the Iowa College Student Aid Commission under Chapter 261B. Therefore, Iowa's schools must demonstrate that they are authorized by name to operate in Iowa as a postsecondary institution in some other way. Iowa law authorizes the Regent Universities and community colleges. Licensure through the Iowa Department of Health authorizes the state's cosmetology and barbering schools. The state's nonprofit universities may be able to show authorization through articles of incorporation filed with the Iowa Secretary of State, provided those articles are for the establishment of a postsecondary institution (not solely as a nonprofit corporation) and the institution is incorporated by name. The State's for-profit institutions that are exempt from registration may also be able to demonstrate authorization through this same method. However, staff have been contacted, thus far, by three Iowa schools – all of whom are exempt from registration under Iowa law – that may not be able to show authorization in Iowa under these federal rules and that may find it necessary to voluntarily register with the Commission to achieve that authorization.

These new federal rules also require the state in which the school is physically located to have a process in place to address student complaints about the schools in the state. The Commission has such a process.

Additionally, under these new federal rules, a school that provides distance education courses or programs to residents of states in which it is not located must determine whether the student's state of residence requires the school to seek the state's authorization or approval to do so. Since the beginning of March, staff estimates receiving approximately 150 inquiries from out-of-state schools, in all sectors, seeking guidance on Iowa's registration requirements for a school offering distance education courses and programs to Iowans. The majority of these schools have been advised that, at this time, they are not required to register with the Commission because the school, or its programs, has no presence in Iowa. However, the Iowa Attorney General provided staff with private guidance indicating that all out-of-state, nonprofit, or for-profit schools that offer even one distance education course to an Iowan must file evidence of financial responsibility, and all out-of-state for-profit schools offering

a distance education course to an Iowa must comply with the State's tuition refund policy. Therefore, staff are working with all schools to inform them of the applicable requirements of Chapter 714, regardless of whether the school must register in Iowa under Chapter 261B. Recently, the U.S. Department of Education announced that it would delay the enforcement of its rules regarding distance delivery courses until July 1, 2014, provided the school is making a good faith effort toward compliance. Since that time, staff note a slight decrease in the volume of inquiries but they persist on a daily basis. Staff have applications in-house from Grand Canyon University, Presentation College, the University of St. Francis, the University of Southern California, and expect registration applications in the near future from several other schools. Some colleges that sought guidance on Iowa's registration requirements for distance education are evaluating their current or intended activities in Iowa based on concerns about the financial feasibility of seeking approval from multiple states.

Career Development in the 21st Century 2.0

On August 1st and 2nd Iowa College Aid and Iowa Department of Education are partnering to offer the 2nd annual Career Development in the 21st Century class as part of Heartland AEA 11's Professional Development Program. The class will be held at the FFA Enrichment Center on DMACC's Ankeny Campus. The purpose of this class is to provide participants with knowledge and best practices for implementing career development and I Have A Plan Iowa™ into the classroom. Particular focus will be on 21st Century skills and career and education planning. Workplace and college program tours will be offered to attendees.

Blog in Development to Communicate with College Students

Staff has been working with Commissioner Kelli Todd to set up a blog for her to communicate with college students. As the Commissioner appointed to represent college students, Kelli will use the blog to keep college students informed of issues that impact them as well as to provide an opportunity for the students to let her know what is important to them.

The blog will be set up in Wordpress and will have customized Iowa College Aid header graphics and sidebar options. Commissioner Todd will have the ability to update the blog from her location. Staff will send out the blog link through email as well as post on the Iowa College Aid website and social media pages. Currently, staff is working on compiling an email list of student government contacts at each Iowa college and university. This group will be invited to follow the blog and provide feedback to Commissioner Todd.

IOWA COLLEGE STUDENT AID COMMISSION

Proposed Meeting Schedule May 2011

RECOMMENDED ACTION:

Approve a meeting schedule for Fiscal Year 2012.

Commission rules require at least six meetings per year. In addition, special meetings, which are often held by telephone, may be called. Notice of such meetings will be given to the public at least seven days prior to the meeting.

In FY2011, meetings were held on the third Friday of every other month. The proposed 2012 schedule follows this pattern. Unless otherwise indicated, the meetings will begin at 10:00 a.m., and we will plan to adjourn by 2:00 p.m.

- July 15, 2011
- September 16, 2011
- November 18, 2011
- January 21, 2012
- March 18, 2012
- May 20, 2012

(March meeting date may be changed to accommodate Spring Break Schedules.)

IOWA COLLEGE STUDENT AID COMMISSION

**ColorFX Printing and Fulfillment
Contract Extension
May 2011**

RECOMMENDED ACTION:

Authorize staff to exercise the option for a one-year extension of the Printing and Fulfillment Contract with ColorFX, Inc.

The Commission signed a contract in July of 2008 for external printing and fulfillment services for the Commission's Marketing Department. ColorFX received a one-year contract (July 1, 2008- June 30, 2009) which permits four one-year renewals at the option of the Commission.

Staff has been very pleased with ColorFX's performance under this contract. Under this contract, ColorFX has provided Commission staff with significant time and money savings in the areas of printing, fulfillment management, and fulfillment reporting. This will be the 2nd of four extensions of the contract.

IOWA COLLEGE STUDENT AID COMMISSION

Rasmussen College Application for Postsecondary Registration in Iowa May 2011

RECOMMENDED ACTION:

Approve the Rasmussen College's application for postsecondary registration in Iowa with a waiver of the administrative rule requirement that the College employ a full-time Iowa resident faculty member or program coordinator.

As a condition of Rasmussen College's Iowa registration, the College must comply with the following distance education program restrictions:

- **Associate of Applied Science degree in Early Childhood Education** – The College may not offer this program via distance education to Iowans until it is approved by the Iowa Department of Education. Rasmussen College will clarify in its 2011-2012 catalog that this program is only available to residents of states in which the College maintains a physical campus. The College may apply for a substantive amendment to its registration to add this program upon approval by the Iowa Department of Education.
- **RN to BSN program** – This program is offered 100% online and does not include an in-person clinical component. The College is not required to seek approval for this program from the Iowa Board of Nursing or any other state board of nursing. The program is also not recognized on the College's Higher Learning Commission (HLC) statement of affiliation status for distance education programs. The College advises staff that it will seek approval for this program from the National League for Nursing Accreditation Commission (NLNAC). The College may add this program to its registration upon notice to the Commission of approval by NLNAC and recognition of the program by the HLC.
- **Health Information Management BS degree and Human Services AAS degree programs** – These programs are not recognized on the College's Higher Learning Commission (HLC) statement of affiliation status for distance education programs. The College may add these programs to its registration upon notice to the Commission of the programs' recognition by the HLC.

Registration Purpose

Iowa Code Section 261B.3 requires registration with the Commission for "a school that maintains or conducts one or more courses of instruction including courses of instruction by correspondence or other distance delivery method, offered in this state...". Commission staff implemented a policy of requiring an out-of-state school that offers a course of instruction via distance delivery to register in Iowa if the school has a "presence" in Iowa. Presence occurs when a school's online program includes a component that must be accomplished at a

physical location in Iowa (e.g., a clinical, practicum or externship), or when the school conducts any of its operations from a location in Iowa (e.g., the school conducts recruiting activities at a physical location in Iowa or employs instructors for its online programs that work for the school from a physical location in Iowa). Rasmussen College seeks initial registration in order to offer Iowans postsecondary certificate, diploma, associate, and baccalaureate degree programs exclusively via distance education. Commission staff required Rasmussen College to apply for registration in Iowa because the College has a presence in this state – it employs part-time instructors for its online programs who work for the college from physical locations in Iowa (see below under “Registration Compliance” for additional information about these part-time employees).

Background

Rasmussen College is a for-profit institution that has twenty-one physical campuses in Florida, Illinois, Minnesota, North Dakota, and Wisconsin, and administrative offices in Florida, Illinois, and Minnesota. The College’s principal office is located at 8300 Norman Center Dr., Suite 300, Bloomington, MN. Its chief executive officer is Kristi Waite (at the same address as for the College’s principal office). Rasmussen College is registered with the Iowa Secretary of State to conduct business in the State of Iowa. Its registered agent is National Registered Agents, Inc., 604 Locust St., Suite #222, Des Moines, IA. Rasmussen College discloses that it is accredited by the HLC.

Rasmussen College has no current plans to establish a permanent, physical location in the State of Iowa.

Rasmussen College seeks to offer Iowans the following programs solely through distance delivery methods. Disclosed total charges for tuition, books, and supplies are listed for each program.

- Bachelor of Science Degree
 - ✓ Accounting - \$68,120
 - ✓ Business Management - \$66,674
 - ✓ Criminal Justice (all available specializations, including the Law Enforcement Specialization*) - \$68,190
 - ✓ Digital Design and Animation - \$71,280
 - ✓ Game and Simulation Programming - \$70,380
 - ✓ Healthcare Management - \$68,375

- Associate of Applied Science Degree
 - ✓ Accounting - \$38,640
 - ✓ Business Management - \$39,900
 - ✓ Criminal Justice (excluding the Law Enforcement Specialization*) - \$39,060
 - ✓ Health Information Technician - \$37,800

- ✓ Information Systems Management: Computer Information Technology Specialization - \$40,920
- ✓ Information Systems Management: Database Administration Specialization - \$39,600
- ✓ Information Systems Management: IP Telephony Specialization - \$39,600
- ✓ Information Systems Management: Network Administration Specialization - \$39,600
- ✓ Information Systems Management: Network Security Specialization - \$39,600
- ✓ Information Systems Management: Web Programming Specialization - \$42,240
- ✓ Medical Administration - \$37,800
- ✓ Paralegal - \$39,480
- ✓ Pharmacy Technician - \$37,800

- Diploma

- ✓ Accounting - \$30,660
- ✓ Business - \$30,660
- ✓ Criminal Justice (excluding the Law Enforcement Specialization)* - \$30,660
- ✓ Human Services - \$29,400
- ✓ Information Systems Management: Computer Information Technology Specialization - \$30,800
- ✓ Information Systems Management: Database Administration Specialization - \$30,800
- ✓ Information Systems Management: IP Telephony Specialization - \$30,800
- ✓ Information Systems Management: Network Administration Specialization - \$30,800
- ✓ Information Systems Management: Network Security Specialization - \$30,800
- ✓ Information Systems Management: Web Programming Specialization - \$32,120
- ✓ Medical Administration - \$29,400
- ✓ Medical Billing and Coding - \$23,520
- ✓ Multimedia Technologies: Digital Design and Animation Specialization - \$33,000
- ✓ Multimedia Technologies: Web Design Specialization - \$33,000
- ✓ Pharmacy Technician - \$29,400

- Certificate

- ✓ Accounting - \$16,380
- ✓ Business - \$15,540
- ✓ Criminal Justice* - \$15,540
- ✓ Human Services - \$17,640
- ✓ Information Systems Management: Computer Information Technology Specialization - \$18,480
- ✓ Information Systems Management: Database Administration Specialization - \$17,160
- ✓ Information Systems Management: IP Telephony Specialization - \$17,160
- ✓ Information Systems Management: Network Administration Specialization - \$17,160
- ✓ Information Systems Management: Network Security Specialization - \$17,160
- ✓ Information Systems Management: Web Programming Specialization - \$18,480
- ✓ Medical Billing and Coding - \$18,480
- ✓ Multimedia Technologies: Digital Design and Animation Specialization - \$18,920
- ✓ Multimedia Technologies: Web Design Specialization - \$18,920

✓ Pharmacy Technician - \$18,480

• Post-Degree Certificate

✓ Paralegal - \$25,620

**Online Criminal Justice Programs*

During the registration application evaluation, Rasmussen College responded cooperatively to staff's request to clarify the College's online criminal justice program offerings to lowans. Rasmussen College offers programs that have been approved by the Minnesota Professional Peace Officer (POST) Board. The College worked with staff to clarify its disclosure concerning these programs to ensure that lowans know these programs meet state-based standards for persons seeking employment as a law enforcement officer in the state of Minnesota, and that these programs include practical skills training that cannot be completed online. Rasmussen College voluntarily withdrew its Law Enforcement Specialization from online Criminal Justice Associate of Science and Diploma programs because of state-specific coursework required in both programs. The curriculum in the online Criminal Justice Bachelor of Science degree with the Law Enforcement Specialization contains no coursework that is state-specific or related to practical law enforcement skills. The online Criminal Justice Certificate program includes no specializations.

Registration Compliance

As required by Iowa Code Section 261B.4, Rasmussen College disclosed its policy on refunding tuition charges for withdrawn students by providing an amendment to its student catalog. The school's specific tuition refund policy is not a registration criterion for registration, however, staff note that the College made minor adjustments to its policy to address the requirements of Iowa Code Section 714.23. See below under "Chapter 714 Compliance."

Administrative rules specifically require the school to comply with the requirements of Chapter 261.9(1) "e" through "h". (Note: Iowa Code Chapter 261.9(1)(h) does not exist.)

- Iowa Code Section 261.9(1)(e) requires a school to maintain and disseminate a drug and alcohol abuse policy that includes sanctions for violation of the school's policy and information about the availability of drug or alcohol counseling or rehabilitation. Iowa Code Section 261.9(1)(f) requires a school to maintain and disseminate a sexual abuse policy that includes information about counseling opportunities and reporting instances of sexual abuse to school officials and law enforcement. These requirements duplicate policies and disclosures required by the federal Department of Education for a school that participates in the federal student aid programs.

These policies are incorporated into the College's catalog and catalog addendum which are available online at <http://www.rasmussen.edu/degrees/course-catalog/>. The policies are also incorporated into the College's student consumer information disclosures, which are provided annually to online students via e-mail.

- Iowa Code Section 261.9(1)(g) requires a school to maintain a special policy concerning institutional charges for members of the Iowa National Guard or reserve members of the U.S. Armed Forces, or the spouse of such a member if the member has a dependent child, when the service member or spouse must withdraw from the school because the service member has been called to active (Iowa) state or federal military duty or service.

Prior to its registration application, Rasmussen College had adopted a policy that meets the requirements of Iowa Code for deployed servicemembers. During the application process, Rasmussen College adjusted its policy to provide the same benefit to the deployed servicemember's spouse, and clarified that the policy applied in cases when the servicemember was deployed for either national or state duty. The College provided staff with written assurance that, for the purpose of its policy, the definition of "enlisted students" includes a member of the Iowa National Guard. This adjustment to the College's military withdrawal policy will be incorporated into its 2011-2012 catalog scheduled for release in July 2011.

On its registration application, Rasmussen College affirms its willingness to comply with the requirements of Iowa Code Chapter 261.9, as stipulated by Iowa Code Section 261B.4(8). Chapter 261.9 requires disclosure to students of information about the school's programs, charges, tuition refund policies, whether a certificate or diploma awarded by the school is applicable toward a degree program the school offers, and the identity of the school's accrediting agency. These disclosures are duplicative of the federal Department of Education's student consumer information disclosure requirements for a school that participates in the federal student aid programs. Disclosures are provided in the school's catalog, and are disclosed to students before class begins and before a student is charged for the class.

Rasmussen College discloses its procedure for preserving student records in its registration application as follows:

All online student records are maintained by the Registrar at the college's Bloomington, MN campus. While attending Rasmussen College, a student's transcript data is stored on a server that is backed up daily. Following graduation or withdrawal, the student's file is retained indefinitely in a locked, fire-proof file cabinet.

Rasmussen College provided the following information to be used by students and graduates who seek transcript information:

Campus Registrar
8300 Norman Center Dr., Suite 400
Bloomington, MN 55437
(952) 545-6565

Rasmussen College discloses that it will comply with the provisions of Iowa Code Section 261B.7, which states, "Neither a school nor its officials or employees shall advertise or represent that the school is approved or accredited by the Commission or the State of Iowa *nor shall it use the registration as a reference in promotional materials.*" Commission staff believe that, provided a school does not claim "approval" or "accreditation," the school serves the public's interests if it discloses that it is registered with the Commission, and provides contact information for the Commission to whom Iowa residents may direct inquiries or express concerns about the school. Commission staff request that the Commission permit this limited disclosure under the conditions described immediately above.

Rasmussen College complied with the following additional requirements of administrative rules:

- The College submitted copies of an audit conducted by an independent auditing firm, McClintock and Associates, P.C., for the fiscal year ending September 30, 2010. The auditing firm expressed its opinion that the College's financial statements present fairly, in all material respects, the school's financial position.

The auditing firm also stated its opinion that the College fairly represented, in all material respects, the school's compliance with two standards of financial responsibility that must be met by a school that participates in the federal student aid programs:

- A school must maintain a composite score, based on a three factor financial responsibility ratio, of at least 1.5 in order to be determined "financially responsible." Rasmussen College reports that its composite score is 2.5.
 - A for-profit institution is prohibited from deriving more than 90% of its revenue from Title IV aid. Rasmussen College reports that it derives 78.77% of its revenue from Title IV aid.
- The College's catalog and online student resources provide sufficient substantiation that it maintains adequate learning resources and facilities for the school's programs. Notably, the college employs an individual, Beth Marie Gooding, who is assigned to the online programs as a Reference Librarian.
 - Rasmussen College provided sufficient information in its online catalog and through additional disclosures requested by staff for Commission staff to believe that the college employs individuals who have degrees, special training, experience, or other accomplishments that qualify them for their assignments.
 - Rasmussen College discloses in its application materials that it hires faculty with master's degree or higher in the fields they teach. However, occasional exceptions are made in cases where a terminal degree is the highest level degree attainable in

a particular field. Rasmussen College faculty work with their colleagues in the Rasmussen College system in the curriculum development review process. They meet regularly to discuss student assessment data. From there, they make revisions to the curriculum. These meetings provide faculty with opportunities to discuss student learning, new program ideas, best practices, textbooks, and industry projections. Courses are developed and implemented as a result of these planning meetings. Curriculum guidance for the College is also provided by advisory boards comprised of professionals from the industries represented in the program offerings.

- The application includes a signed statement executed by the school's chief executive officer, Kristi Waite. Ms. Waite states that the College's Mankato, MN campus sponsors online courses. Ms. Waite commits to teaching out programs in which Iowa students are enrolled through another Rasmussen College campus in the event the Mankato campus ceases operations before Iowa students complete their programs. In such a case, administrative rules permit these alternatives to be provided by the applicant school "at the same or other institutions."

Full-Time Iowa Resident Faculty Member or Program Coordinator: Rasmussen College does not comply with the administrative rule requirement to employ a full-time Iowa resident faculty member or program coordinator. Consistent with the authority the Commission granted staff during its March 2011 meeting, staff recommend that the Commission waive the full-time Iowa resident faculty member requirement, given that the College seeks approval to provide 100% online postsecondary educational programs to Iowans. However, the College employs two Iowa residents who are each considered half-time employees. These employees are online program instructors and work for the College from locations in Iowa:

- ✓ Valerie Connor, 23420 200th Ave., Davenport, IA 52807
- ✓ Donald Frey, 240 Wiley Boulevard SW, Suite B1, Cedar Rapids, IA 52404

Both instructors provide direct contact information for online students in connection with course syllabi.

Verifications

Commission staff independently verified the following additional facts that are pertinent to the College's registration eligibility:

- Rasmussen College, Inc., has an active Certificate of Existence #378598 registered with the Iowa Secretary of State as a foreign, for-profit corporation.
- The federal Department of Education reports that Rasmussen College is currently accredited by the Higher Learning Commission (HLC), an accrediting agency that the federal Department of Education recognizes.
- The HLC reports that the College is accredited and in good standing.

- The federal Department of Education reports that Rasmussen College is not subject to a limitation, suspension, or termination of its eligibility to participate in the federal student aid programs.

Additional Information

Rasmussen College disclosed the following additional information as required by the registration application. The data is provided for informational purposes only; they do not relate to registration criteria under Iowa Code or administrative rules.

- Federal Stafford Loan Cohort Default Rate (FFY 2008): 6.4%
 - FFY 2007 national average cohort default rate: 7%
- Average Debt Upon Graduation (Minnesota campuses): \$29,066
- Graduation rate (percentage of first-time, full-time students from the Minnesota campuses who graduated within 150% of the normal time for program completion): 47%
- Procedure for resolution of student complaints – detailed procedural information for students with complaints or grievances is provided in the College’s catalog, which is disclosed on the College’s website.

Compliance with Iowa Code Chapter 714

Section 714.18 – Evidence of Financial Responsibility

As an addendum to its registration application, Rasmussen College filed sufficient evidence of financial responsibility under Iowa Code Chapter 714.18. This evidence includes a continuous, corporate surety bond, issued by Travelers Casualty and Surety Company of America, payable to the State of Iowa in the requisite amount of \$50,000.

Section 714.23 – State Tuition Refund Policy

Iowa Code Section 714.23 requires “a person offering a course of instruction at the postsecondary level, for profit, that is more than four months in length and leads to a degree, diploma, or license...” to provide a refund of tuition to a student who withdraws from the school’s program in an amount that at least meets the formula specified in Section 714.23. During the application review process, Rasmussen College worked with Commission staff to make minor adjustments to its existing institutional refund policy so that it meets all applicable requirements of Iowa Code for lowans who withdraw from the College. Notably, the College’s tuition refund policy for Iowa students who withdraw will provide a more generous tuition refund than otherwise required by Iowa Code. Rasmussen College will incorporate its Iowa tuition refund policy into its 2011-2012 catalog scheduled for release in July 2011.

IOWA COLLEGE STUDENT AID COMMISSION

University of the Rockies Application for Postsecondary Registration in Iowa May 2011

RECOMMENDED ACTION:

Approve University of the Rockies' application for postsecondary registration in Iowa with a waiver of the administrative rule requirement that the University employ a full-time Iowa resident faculty member or program coordinator.

As a condition of registration, the University of the Rockies must notify staff (per Iowa Code Section 261B.5) within 90 days of the University's approval of any Iowa location at which an online doctoral degree candidate will fulfill a practicum requirement.

Registration Purpose

Iowa Code Section 261B.3 requires registration with the Commission for "a school that maintains or conducts one or more courses of instruction including courses of instruction by correspondence or other distance delivery method, offered in this state..." Commission staff implemented a policy of requiring an out-of-state school that offers a course of instruction via distance delivery to register in Iowa if the school has a "presence" in Iowa. Presence occurs when a school's online program includes a component that must be accomplished at a physical location in Iowa (e.g., a clinical, practicum, or externship), or when the school conducts any of its operations from a location in Iowa (e.g., the school conducts recruiting activities at a physical location in Iowa or employs instructors in its online programs that work for the school from a physical location in Iowa). At the direction of staff, the University of the Rockies seeks initial registration in order to offer Iowans online postsecondary masters degree programs, and predominantly online doctoral degree programs with a practicum requirement that must be accomplished at a physical location in Iowa.

Background

The University of the Rockies is a for-profit institution that operates a single physical campus located at 555 East Pikes Peak Avenue, Colorado Springs, Colorado. Its Chief Executive Officer is Dr. Charlita Shelton (at the same address as for the University's sole campus location). The University of the Rockies is wholly owned by Bridgepoint Education, Inc. The University is registered with the Iowa Secretary of State to conduct business in Iowa. Its registered agent is CT Corporation System, 500 East Court Ave., Des Moines, IA 50309. The University discloses that it is accredited by the Higher Learning Commission of the North Central Association (HLC).

The University of the Rockies seeks to offer lowans the following programs. Disclosed total tuition, fee, book, and supply charges accompany each program.

- Master's Programs (All courses are offered online.)
 - ✓ Master of Arts in Psychology with Business Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Career Management and Counseling Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Criminology and Justice Studies Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Educational Leadership Specialization* - \$30,695
 - ✓ Master of Arts in Psychology with Evaluation, Research and Measurement Specialization - \$30, 695
 - ✓ Master of Arts in Psychology with General Psychology Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Health and Wellness Specialization - \$30,695
 - ✓ Master of Arts in Psychology with International Leadership Specialization - \$30,695
 - ✓ Master of arts in Psychology with Mediation and Conflict Resolution Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Mental Heath Admin. Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Non-Profit Management Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Organizational Diversity Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Organizational leadership Specialization - \$30,695
 - ✓ Master of Arts in Psychology with Sports and Performance Psychology Specialization - \$30,695
 - ✓ Master of Arts in Human Services with Mental Health Administration Specialization - \$26,065
 - ✓ Master of Arts in Human Services with Non-Profit Management Specialization - \$26,065
 - ✓ Master of Arts in Organizational Development and Leadership - \$30,695

- Doctoral Programs (Three courses in each specialization require attendance at the University of the Rockies' physical campus in Colorado. All other courses are offered online with the exception of a practicum, which, for an Iowa resident, will take place at a physical location in Iowa.)
 - ✓ Doctor of Psychology with Business Psychology Specialization - \$67,518
 - ✓ Doctor of Psychology with Criminology and Justice Studies Specialization - \$67,518
 - ✓ Doctor of Psychology with Executive Coaching Specialization - \$67,518
 - ✓ Doctor of Psychology with Health and Wellness Specialization - \$67,518
 - ✓ Doctor of Psychology with Mediation and Conflict Resolution Specialization - \$67,518
 - ✓ Doctor of Psychology with Mental Health Administration Specialization - \$67,518
 - ✓ Doctor of Psychology with Non-Profit Management Specialization - \$67,518
 - ✓ Doctor of Psychology with Organizational Consulting Specialization - \$67,518
 - ✓ Doctor of Psychology with Organizational Diversity Specialization - \$67,518
 - ✓ Doctor of Psychology with Organizational Leadership Specialization - \$67,518

√ Doctor of Philosophy in Organizational Develop and Leadership - \$67,518

*The Master of Arts in Psychology with Educational Leadership Specialization does not prepare a student for licensure as a school principal or superintendent. The program description does not infer that the program prepares students to seek licensure upon graduation as a school principal or superintendent. The description of learning outcomes include applying psychological research in leading programs and projects, evaluating the impact of diversity in education, assessing human behavior to facilitate appropriate learning and change, ethical practices, and integrating appropriate leadership skills. The University of the Rockies clarifies the career expectations of a student who seeks enrollment in the Master of Arts in Psychology with Educational Leadership Specialization by providing the following prominent statement:

The degree is designated for those students *not* seeking certification credentials from the several states' departments of education for careers as school administrators or principals.

None of the online masters or doctoral programs the University of the Rockies proposes to offer lowans via distance education lead to licensed employment as a professional counselor or clinical psychologist. Each program description includes targeted career goals for program graduates. None of these career goals infer that the program prepares a graduate to seek licensed employment as a professional counselor or clinical psychologist.

Registration Compliance

As required by Iowa Code Section 261B.4, the University of the Rockies disclosed its policy on refunding tuition charges for withdrawn students by providing an amendment to its student catalog. The school's specific tuition refund policy is not a criterion for registration, however, staff note that the University drafted a tuition refund policy for Iowa residents that meets the requirements of Iowa Code Section 714.23. See below under "Chapter 714 Compliance."

Administrative rules specifically require the school to comply with the requirements of Chapter 261.9(1) "e" through "h". (Note: Iowa Code Chapter 261.9(1)(h) does not exist.)

- Iowa Code Section 261.9(1)(e) requires a school to maintain and disseminate a drug and alcohol abuse policy that includes sanctions for violation of the school's policy and information about the availability of drug or alcohol counseling or rehabilitation. Iowa Code Section 261.9(1)(f) requires a school to maintain and disseminate a sexual abuse policy that includes information about counseling opportunities and reporting instances of sexual abuse to school officials and law enforcement. These requirements duplicate policies and disclosures required by the federal Department of Education for a school that participates in the federal student aid programs. These policies are incorporated into the University's online catalog.

- Iowa Code Section 261.9(1)(g) requires a school to maintain a special policy concerning institutional charges for members of the Iowa National Guard or reserve members of the U.S. Armed Forces, or the spouse of such a member if the member has a dependent child, when the service member or spouse must withdraw from the school because the service member has been called to active (Iowa) state or federal military duty or service. Prior to its registration application, the University adopted a military policy that meets the requirements of Iowa Code for students who are deployed servicemembers. During the application process, the University agreed in writing to adjust its policy to provide the same benefit to the spouse of a servicemember who had been deployed, regardless of whether the spouse had a dependent child. As of the date this recommendation was drafted, staff was awaiting final approval from Bridgepoint Education of specific language to address this change. The University provided staff with written assurance that its policy applied to a member of the Iowa National Guard. Bridgepoint Education, Inc. will incorporate this adjustment to the University's military withdrawal policy into its 2010-2011 catalog supplement scheduled for release on May 20, 2011.

On its registration application, the University affirms its willingness to comply with the requirements of Iowa Code Chapter 261.9, as stipulated by Iowa Code Section 261B.4(8). Chapter 261.9 requires disclosure to students of information about the school's programs, charges, tuition refund policies, whether a certificate or diploma awarded by the school is applicable toward a degree program the school offers, and the identity of the school's accrediting agency. These disclosures are duplicative of the federal Department of Education's student consumer information disclosure requirements for a school that participates in the federal student aid programs. Disclosures are provided in the school's online catalog and enrollment agreement.

The University of the Rockies discloses in its application a commitment to effective student records management in accordance with record retention and confidentiality requirements of federal, state, and local statutes, including the Family Educational Rights and Privacy Act, Sarbanes-Oxley Act, and the Higher Education Act. The University keeps student records for a minimum of six years after a student graduates or otherwise leaves the institution. Student application, transcripts from previous institutions, and requests for letters of recommendation are retained for six years. Other documents such as leave of absence forms, petitions to graduate, dismissal letters, signed FERPA agreements, final grade information, graduation and commencement information, and student death certificate notices are permanent and are not removed from the University's archives.

The University of the Rockies provided the following information to be used by students and graduates who seek transcript information:

Registrar's Office
University of the Rockies
555 East Pike's Peak Avenue

Colorado Spring, CO 80903
866-621-0124

All students may request official and unofficial transcripts from the Office of the Registrar by submitting an official transcript request form (available online at <http://www.rockies.edu/online/resources.php>). In the event that the institution ceases to exist, student records will be preserved at the Iron Mountain Information Management Services, 3110 North Stone Avenue, Colorado Springs, CO 80903 for a period of 50 years.

The University of the Rockies affirms that it will comply with the provisions of Iowa Code Section 261B.7, which states, "Neither a school nor its officials or employees shall advertise or represent that the school is approved or accredited by the Commission or the State of Iowa *nor shall it use the registration as a reference in promotional materials.*" Commission staff believe that, provided a school does not claim "approval" or "accreditation," the school serves the public's interests if it discloses that it is registered with the Commission, and provides contact information for the Commission to whom Iowa residents may direct inquiries or express concerns about the school. Commission staff request that the Commission permit this limited disclosure under these conditions.

The University complied with the following additional administrative rule requirements for a registration applicant:

- The College submitted the 2009 Bridgepoint Education, Inc. annual report, containing the report of an independent audit conducted by PricewaterhouseCoopers, LLP, for the fiscal year ending December 31, 2009. The auditing firm expressed its opinion that the Bridgepoint Education's financial statements present fairly, in all material respects, the school's financial position.

A school that participates in the federal student aid programs must maintain a composite score, based on a three factor financial responsibility ratio, of at least 1.5 in order to be determined "financially responsible." Bridgepoint Education reports that the University of the Rockies' composite score for the year ending December 31, 2009, was 1.8.

A for-profit school that participates in the federal student aid programs is prohibited from deriving more than 90% of its revenue from Title IV aid. Bridgepoint Education reports that the University of the Rockies derived 84.6% of its revenue from Title IV aid for the year ending December 31, 2009.

- The University discloses in its application that it maintains a formal, written contract with the University of Colorado's Kraemer Family Library to provide online resources to online students (<http://www.coalliance.org/prospector/>). A graduate librarian is

available by phone 73 hours per week for University of the Rockies' students and faculty. University of the Rockies also has a contractual agreement with the American Psychological Association for access to its electronic products (<http://www.apa.org/pubs/databases/index.aspx>) including PsycINFO and PsycARTICLES with its Abstracts and Full-Text Article Database, PsycBOOKS, and PsycCritiques. The University's library coordinates remote access to online research databases. The University of the Rockies Library is accessible online through the student portal or the online classroom.

- The University provides sufficient information in its printed and online catalog, and through its employment postings, to indicate that it employs individuals who have degrees, special training, experience, or other accomplishments that qualify them for their assignments. An earned doctorate is prerequisite for academic employment at the University, including for adjunct, part-time or temporary faculty.
- The University discloses its methodology for developing and evaluating curriculum. The marketing department monitors data to determine the need for implementation of new programs as dictated by the University's Strategic Plan. A task force oversees the initial request for a new program to ensure that it is feasible and can be executed appropriately. Once a determination is made that a program is worthy of adoption, the program structure is then appropriately designed to include institutional outcomes, program learning outcomes, course learning outcomes, course descriptions, and text book selection. The Dean of the appropriate academic college owns and oversees the curriculum of all programs in that content area. The Faculty Councils, the Academic Governance Council members, and the Board of Trustees participate in the review and implementation of online programs. The Governance of the University formally approves programs.
- The application includes a signed statement executed by the school's chief executive officer, Dr. Charlita Shelton, stating the University's commitment to delivery of programs to students in Iowa, and agreeing to provide alternatives for students to complete programs at other institutions if the school closes the program before students have completed their course of study.

Full-Time Iowa Resident Faculty Member or Program Coordinator: University of the Rockies does not comply with the requirement of administrative rule to employ a full-time Iowa resident faculty member or program coordinator. At this time, the University employs no Iowa resident faculty members in its online programs but may do so in the future, as needed. Consistent with the authority the Commission granted staff during its March 2011 meeting, staff recommend that the Commission waive the full-time Iowa resident faculty member requirement, given that the College seeks approval to provide online postsecondary educational programs to Iowans.

Verifications

- The federal Department of Education reports that the University of the Rockies is currently accredited by the HLC, an accrediting agency that the federal Department of Education recognizes.
- The HLC reports that the University is accredited and in good standing.
- The federal Department of Education reports that the University is not subject to a limitation, suspension, or termination of its eligibility to participate in the federal student aid programs.

Additional Information

University of the Rockies disclosed the following additional information as required by the registration application. This data is provided for informational purposes only; it does not relate to registration criteria under Iowa Code or administrative rules.

- Federal Stafford Loan Cohort Default Rate (FFY 2008): 2.5%
 - FFY 2007 national average cohort default rate: 7%
- Average Debt Upon Graduation: \$35,999.67
- Graduation rate (percentage of first-time, full-time undergraduate students who graduated within 150% of the normal time for program completion): Not applicable. The U.S. Department of Education requires that a school participating in the federal student aid programs calculate and disclose this rate only for undergraduate students. The University offers exclusively graduate and doctoral programs.
- Procedure for resolution of student complaints – detailed procedural information for students with complaints or grievances is provided in the school's online catalog.

Compliance with Iowa Code Chapter 714

Section 714.18 – Evidence of Financial Responsibility

As an addendum to its registration application, the University of the Rockies filed sufficient evidence of financial responsibility under Iowa Code Chapter 714.18. This evidence includes a continuous, corporate surety bond of \$50,000 issued by International Fidelity Insurance Company Travelers Casualty and Surety Company of America and payable to the State of Iowa.

Section 714.23 – State Tuition Refund Policy

Iowa Code Section 714.23 requires “a person offering a course of instruction at the postsecondary level, for profit, that is more than four months in length and leads to a degree, diploma, or license...” to provide a refund of tuition to a student who withdraws from the school's program in an amount that at least meets the formula specified in Section 714.23. The University

of the Rockies submitted a tuition refund policy for Iowa students that staff reviewed and determined compliant with the requirements of Iowa law. In many cases, depending on the point in a course at which a student withdraws, the University's policy will provide a more generous refund than required by Iowa law. As of the date this recommendation was drafted, staff were awaiting final, internal approval from Bridgepoint Education on specific language staff recommended to accompany the policy, which clarifies how it is applied to online courses. This policy will be disclosed to students in the University's 2010-2011 catalog supplement scheduled for release on May 20, 2011.

IOWA COLLEGE STUDENT AID COMMISSION

Audit and Finance Committee Report May 2011

The Audit and Finance Committee met on May 10, 2011 and will be providing a report to the Commission on May 20, 2011. Budget information will be forwarded to Commissioners once all information from the committee meeting is incorporated into the budget.

RECOMMENDED ACTION:

Approve the proposed operating budgets for the Guaranteed Student Loan Program, State Program Administration, Default Prevention, and GEAR UP Iowa for State Fiscal Year 2011.

Iowa College Student Aid Commission

**Legislative Action Committee
May 2011**

A legislative report will be provided during the May 20, 2011 Commission Meeting.

Iowa College Student Aid Commission

**Human Resources and Nominations Committee
May 2011**

The Human Resources and Nominations Committee will meet prior to the Commission Meeting and provide a report during the May 20, 2011 Commission Meeting.

**IOWA COLLEGE STUDENT AID COMMISSION
GUARANTEED STUDENT LOAN ADMINISTRATION
SUMMARY OF RESOURCES AND EXPENDITURES
SFY 2011 as of April 30, 2011**

Operating Fund	Class	FY 2011 Operating Budget	FY 2011 Year to Date Budget	FY 2010 Apr-10 Mth Actual	FY 2011 Apr-11 Mth Actual	FY 2010 Year to Date Actuals	FY 2011 Year to Date Actuals	YTD Actual to Budget Variance
Revenues/Resources:								
Federal Account Maintenance Fees (AMF)		1,741,625	870,813	-	-	1,258,625	902,609	31,796
Federal Loan Processing Fee (LPIF)		-	-	-	-	1,389,130	(5,253)	(5,253)
Default Aversion Fees (DAF) (Net of rebates)		466,937	389,114	150,915	42,399	605,165	745,049	355,935
ICSAC Share Default Collections		5,024,068	2,930,706	3,803,411	701,983	7,017,206	6,621,003	3,690,297
Direct Loans Cons. (Net of 8.5% back to Fed Gov)		2,365,361	1,971,134	150,810	55,245	1,808,123	711,407	(1,259,727)
Iowa Access Grants Funds		189,000	157,500	-	-	-	141,589	(15,911)
Interest on Operating Fund		127,500	106,250	16,093	2,552	111,561	51,149	(55,101)
Other Revenue (includes TOP)		865,000	720,833	3,450	504,700	25,239	727,108	6,275
Est PLP Rev		263,046	219,205	22,173	29,547	226,326	539,909	320,704
Choices Receipts (\$250K from Def Aversion Fund)		-	-	-	-	-	-	-
Grant DrawDown from USDE		-	-	-	-	-	-	-
State Appropriation		-	-	-	-	-	-	-
Total Revenues/Resources		\$ 11,042,537	\$ 7,365,555	\$ 4,146,852	\$ 1,336,426	\$ 12,441,375	\$ 10,434,569	\$ 3,069,014
Expenditures:								
Personal Services - Loan Administration		3,057,733	2,548,111	237,296	235,293	2,523,075	2,338,412	(209,699)
Personal Services - CHOICES		-	-	8,917	-	99,623	-	-
Travel		93,722	78,102	14,701	5,027	50,870	43,662	(34,440)
Office Supplies		33,675	28,063	1,445	465	27,778	22,247	(5,816)
Equipment Repairs		3,500	2,917	163	-	1,815	595	(2,322)
Printing and Binding		104,669	87,224	9,506	3,826	143,476	67,754	(19,470)
Postage		24,908	20,757	1,917	1,748	19,963	30,652	9,895
Communications		46,648	38,873	4,348	2,751	41,735	31,236	(7,637)
Rentals		56,661	56,661	15,313	-	144,373	56,661	-
Professional & Scientific Services		44,500	37,083	1,942	2,376	26,112	15,689	(21,394)
Outside Services - SLMA		1,784,026	1,486,688	50,692	99,357	1,311,860	1,070,417	(416,271)
Outside Services - iLink		-	-	72,869	-	298,719	-	-
Outside Services - SLCS		445,000	370,833	36,395	37,601	518,104	496,904	126,071
Outside Services - Other		459,003	382,503	2,733	1,826	55,214	41,321	(341,182)
Intra-State Transfers		-	-	-	-	675	675	675
Advertising & Publicity		130,475	108,729	7,642	16,418	178,796	61,105	(47,624)
Attorney General		14,100	11,750	1,175	1,250	10,546	10,475	(1,275)
State Audits		27,200	22,667	(175)	-	17,723	14,926	(7,741)
State Reimbursements - Rent		28,035	17,522	-	4,736	14,225	22,692	5,170
State Reimbursements - Other		25,185	20,988	958	1,118	45,020	11,542	(9,446)
ITE Reimbursements		261,275	217,729	6,179	9,017	813	197,692	(20,037)
Equipment		-	-	-	-	30,501	42	42
Office Equipment		5,000	4,167	-	-	-	214	(3,953)
IT Equipment & Software		34,900	29,083	11,206	210	23,889	21,155	(7,928)
Other Expenses & Obligations		28,958	24,132	968	175	24,538	20,974	(3,158)
Licenses		-	-	-	-	-	-	-
Other Refunds		-	-	-	-	-	-	-
State Aid		1,680,000	1,680,000	-	-	1,680,000	1,680,000	-
Total Administrative		\$ 8,389,174	\$ 7,274,582	\$ 486,190	\$ 423,194	\$ 7,289,446	\$ 6,257,042	\$ (1,017,540)
Collection Expense		4,920,244	4,100,203	987,770	483,403	5,607,492	4,834,783	734,580
Collection Expense - PLP		12,000	10,000	0	16,179	0	318,253	308,253
Total Collection Expenses		\$ 4,932,244	\$ 4,110,203	\$ 987,770	\$ 499,582	\$ 5,607,492	\$ 5,153,036	\$ 1,042,833
Total Operating Expenses		13,321,418	11,384,785	1,473,960	922,776	12,896,938	11,410,078	25,293
Federal Default Fee		1	1	502,031	0	5,136,167	31,769	31,768
Total Federal Default Fee		\$ 1	\$ 1	\$ 502,031	\$ -	\$ 5,136,167	\$ 31,769	\$ 31,768
Total Expenditures		\$ 13,321,419	\$ 11,384,786	\$ 1,975,992	\$ 922,776	\$ 18,033,104	\$ 11,441,847	\$ 57,061
Net Gain(Loss)Operating Fund		\$ (2,278,882)	\$ (4,019,231)	\$ 2,170,860	\$ 413,650	\$ (5,591,729)	\$ (1,007,278)	\$ 3,011,953

*Estimated

This report is based on I-3 cash figures with estimates of Rev for Direct Loan Consol and PLP

11-5-H1

**IOWA COLLEGE STUDENT AID COMMISSION
SCHOLARSHIP & GRANT ADMINISTRATION
SUMMARY OF EXPENDITURES
SFY 2011 as of April 30, 2011**

	FY 2010 Actual	FY 2011 Budget	FY 2011 Year to Date Budget	FY 2011 Year to Date Actual	Variance Over (Under)	Adjustments
Expenditures:						
Salaries ¹	\$ 270,410	\$ 219,455	182,879	\$ 182,450	\$ (429)	
Travel	493	1,569	1,308	\$ 316	\$ (992)	Commission travel expenditures. No additional expenditures planned by T. Brown and staff.
Office Supplies ⁵	1,845	1,500	1,250	\$ 1,358	\$ 108	
Equipment Repairs	135	200	167	\$ 46	\$ (121)	
Printing	1,757	1,500	1,250	\$ 1,469	\$ 219	
Postage	4,703	3,500	2,917	\$ 2,811	\$ (106)	
Communications	2,013	1,500	1,250	\$ 1,535	\$ 285	
Rental ⁶	15,718	5,588	5,588	\$ 5,588	\$ -	
Outside Services ^{4,5}	1,062	2,688	2,240	\$ 2,090	\$ (150)	Additional costs to be charged due to additional office move expenditures, but amount is not yet known.
State Transfers	-	75	75	\$ 75	\$ -	
State Reimbursements - Rent ^{2,6}	1,593	3,477	2,173	\$ 2,175	\$ 2	
State Reimbursements - Other		1,497	1,248	\$ 1,080	\$ (168)	
ITD Reimbursements ³	7,336	6,995	5,829	\$ 5,037	\$ (792)	
Office Equipment ²	10	-	-	\$ -	\$ -	
IT Equipment & Software ^{2,3,4}	171	300	250	\$ -	\$ (250)	Budget includes planned purchase of SmartBoard for conference room
Other Expenses & Obligations	6	53	44	\$ 6	\$ (38)	
Total Expenditures	\$ 307,252	\$ 249,897	\$ 208,467	\$ 206,036	\$ (2,431)	

1 - Adjusted salaries' budget downward by \$60,946 for the SERIP, EO20, SF2088 and other savings that were returned to the General Fund.

2 - Adjusted budget by \$712 in class 414 for office rent; \$200 came from class 502 - Office Equipment and \$512 came from class 510 - IT Equipment & Software.

3 - Budget reflects expected purchase of Smart Board for Commission Board Room. Estimated cost of \$5,000. Split to be 94%/6%, GSL/Appropriation.

4 - Adjusted 406 - Outside Services budget by \$2,188; \$1,688 came from class 510 - IT Equipment & Software, \$500 came from class 301.

5 - Adjusted 301 - Office Supplies budget by -\$500; Outside Services to exceed budget

6 - Adjusted 402 - Rental to reflect move to capital campus in FY11. Rent to be expended from class 414 - State Reimbursements.

**IOWA COLLEGE STUDENT AID COMMISSION
 DEFAULT PREVENTION, FUND #0261
 SUMMARY OF RESOURCES AND EXPENDITURES
 SFY 2011 as of April 30, 2011**

	FY 2011 Budget	FY 2011 Year to Date Budget	FY 2011 Year to Date Actuals	Variance
Resources:				
Interest	12,750	10,625	4,809	(5,816)
Refunds & Reimbursements	-	-	687	687
Total Resources	12,750	10,625	5,496	(5,129)
Expenditures:				
Travel/State Vehicle	8,270	6,892	-	(6,892)
Office Supplies	500	417	-	(417)
Printing & Binding	10,000	8,333	-	(8,333)
Professional & Scientific Services	250,000	208,333	-	(208,333)
Outside Services	15,000	12,500	-	(12,500)
Advertising & Publicity	1,000	833	-	(833)
ITD Reimbursement	-	-	-	-
IT Equipment & Software	-	-	-	-
Aid to Individuals	-	-	-	-
Total Expenditures	284,770	237,308	-	(237,308)
Net Gain(Loss)	(272,020)	(226,683)	5,496	232,179
Default Prevention Cash Balance 6/30/10	1,713,027			
Net Gain/(Loss) SFY 2011 04/30/2011	<u>5,496</u>			
Cash Balance 04/30/2011	1,718,523			

IOWA COLLEGE STUDENT AID COMMISSION

I Have a Plan Iowa

SUMMARY OF EXPENDITURES

SFY 2011 as of April 30, 2011

	<i>FY 2011</i>	<i>FY 2011</i>	<i>FY 2011</i>	<i>Variance</i>
	<i>Budget</i>	<i>Year to Date</i>	<i>Year to Date</i>	<i>Over</i>
	<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>(Under)</i>
Expenditures:				
Salaries ¹	\$ 248,381	206,984	\$ 134,521	\$ (72,463)
Travel	12,415	10,346	\$ 14,239	\$ 3,893
Office Supplies	-	-	- \$	-
Equipment Repairs	-	-	- \$	-
Printing	-	-	- \$	-
Postage	-	-	- \$	-
Communications	2,292	1,910	\$ 1,274	\$ (636)
Rental	-	-	- \$	-
Outside Services	-	-	- \$	-
State Transfers	-	-	- \$	-
State Reimbursements - Rent	-	-	- \$	-
State Reimbursements - Other	1,085	904	\$ 904	\$ -
ITD Reimbursements	-	-	- \$	-
Office Equipment	-	-	- \$	-
IT Equipment & Software	-	-	- \$	-
Licenses ²	1,011,670	843,058	\$ 796,500	\$ (46,558)
Other Expenses & Obligations	-	-	- \$	-
Total Expenditures	\$ 1,275,843	\$ 1,063,202	\$ 947,438	\$ (115,765)

1 - Salaries include N. Ankeny, J. Miller and T. Havener. Total salary and benefit expense estimated based on first four months in calendar year 2011.

2 - XAP license costs charged to Challenge Grant included in this line.

**IOWA COLLEGE STUDENT AID COMMISSION
GEAR UP IOWA GRANT
SUMMARY OF EXPENDITURES
SFY 2011 as of April 30, 2011**

Annual Federal Grant of \$1,400,000 for administrative costs.

Additional, annual grant for \$1,400,000, which is placed in a trust fund to provide scholarships to college for participants.

The mission of GEAR UP Iowa is to significantly increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

GEAR UP Iowa is a year-round program where students will discover the importance of education, improve academic skills, identify career interests, and explore college opportunities.

The program will serve 7th grade students (7th graders in the 2008-2009 academic year) at 31 Iowa schools and provide resources to these students as they progress from 7th to 12th grade, helping them plan, prepare and pay for college.

	FY 2010	FY 2011	FY 2011	FY 2011	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Expenditures:					
Direct Costs ¹:					
Salaries ³	144,676	184,395	153,662	100,572	(53,090)
Travel ³	16,981	39,426	32,855	13,459	(19,396)
Office Supplies	1,425	500	417	1,492	1,075
Printing ³	338	12,600	10,500	779	(9,721)
Postage ³	86	10,500	8,750	7	(8,743)
Communications ³	2,740	13,200	11,000	2,509	(8,491)
Professional & Scientific Services	20,113	20,000	16,667	50,041	33,374
Outside Services	673	10,000	8,333	1,472	(6,861)
School Reimbursements, DE Contract & Add'l Programming ³	768,584	1,610,751	1,342,293	598,324	(743,969)
Advertising & Publicity	(369,263)	11,700	9,750	40,359	30,609
State Reimbursements - other than Rent	716	2,100	1,750	536	(1,214)
ITE Reimbursements	2,455	1,000	833	637	(196)
Licenses	314,500	359,580	299,650	100,000	(199,650)
Total Direct Costs	904,023	2,275,752	1,896,460	910,188	(986,272)
Indirect Costs ²:					
Salaries	36,783	30,772	25,643	14,626	(11,018)
Rental (Office space)	8,842	4,244	3,537	4,244	707
School Reimbursements & DE Contract		19,200	16,000		(16,000)
Attorney General	704	900	750	775	25
State Audits	1,607	2,100	1,750	475	(1,275)
State Reimbursements - Rent	-	2,100	1,313	990	(323)
ITE Reimbursements	877	2,432	2,027	1,928	(99)
IT Equipment & Software	1,199	500	417	-	(417)
Total Indirect Costs	50,011	62,248	51,436	23,037	(28,398)
Total Expenditures	954,035	2,338,000	1,947,895	933,225	(1,014,670)

1 - Direct costs are costs that are directly associated with administering the grant plan, such as licenses, costs incurred by schools and programs for participants.

2 - The grant allows for up to 6% of the grant proceeds to be used to cover indirect costs. Indirect costs are costs that are indirectly associated with administering the plan, such as office space and audits, that are not easily allocated to a business unit.

3 - Carryforward in the amount of \$938,000, which was allocated to: Salaries - \$15,000; Travel - \$16,000; Printing - \$10,000; Postage - \$10,000; Communications - \$9,200 and School Reimbursements - \$877,800.



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