

Iowa College Student Aid Commission
May 18, 2012



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 18, 2012
10:00 a.m.

Iowa College Student Aid Commission Conference Room

1. Executive Director’s Report..... Tab A Misjak
- *2. Consent Agenda Tab B Misjak
 - a. Minutes of Meeting.....Tab B.1
 - March 16, 2012
 - b. Proposed Meeting Schedule.....Tab B.2
 - c. Administrative RuleTab B.3
 - Propose to rescind *Administrative Rules Chapter 16 – “Washington, D.C., Internship Grant Program”*
 - d. Postsecondary RegistrationTab B.4
 - ITT Technical Institute
 - Southwest Minnesota State University
 - St. Joseph’s College of Maine
 - Capella University
 - Mercy-St. Luke’s School of Radiologic Technology
 - e. ColorFX Contract ExtensionTab B.5
 - f. ME&V Contract Extension.....Tab B.6
- *3. Audit and Finance Committee ReportTab C Commissioner Utman
 - *Guaranteed Student Loan Budget
 - *Program Administration Budget
 - *Default Prevention Budget
 - *GEAR UP Budget
- *4. Committee ReportsTab D
 - Legislative Committee..... Commissioner Adams
 - Human Resources and Nominations Committee..... Commissioner Adams
5. Staff ReportsTab E
 - Administrative Budget/Expenditure Summary.....Krueger
 - I Have A Plan Iowa ReviewAnkeny
6. Adjournment

* Indicates Action Item

UPCOMING MEETING DATE:

Upcoming meeting dates will be set during the May 18, 2012 Commission Meeting.

IOWA COLLEGE STUDENT AID COMMISSION

Executive Director's Report May 2012

Iowa Students Represent State in National Real World Design Challenge

Karen Misjak and John Gilman accompanied a team of Iowa high school students from Davenport's West High School and Des Moines' Hoover High School on their journey to Washington D.C. where they competed in the national finals of the Real World Design Challenge held at the Smithsonian Air and Space Museum on April 20 – 23, 2012. The Real World Design Challenge (RWDC), an annual event sponsored by federal agencies, private aerospace companies and governments of participating states, provides high school students, grades 9 through 12, the opportunity to apply classroom lessons to technical problems currently faced in Science, Technology, Engineering and Mathematics (STEM) professions. This is the first year a team from Iowa made it to the national finals.

Thirty teams from across the country were selected to compete in the finals by winning state-level competitions in their area. Competitors created designs for "an efficient, low-carbon-emission and environmentally-friendly personal light sport aircraft (LSA)," and submitted a 2,000-word essay about what they would see if they were given the opportunity to fly their design across the country. Participating teams received \$1 million in professional engineering software as well as training on how to use the software and other aspects of the program. Iowa's team received guidance and support from their industry mentors: Julie Kim - Exelon Nuclear, Mechanical Engineer; Derek Atwood - Boeing, Structural Engineer; Matthew Geraghty – Rockwell Collins, Systems Engineer; Pat Sheehey – Davenport West High school, AP English teacher; Jeramie Vens - Iowa State University, Electrical Engineering Student. The team also received technical support from GEAR UP Iowa.

While Iowa's team did not place in the top three rankings, they received positive feedback from the judges and did a very good job of applying classroom learning to a complex challenge. In addition, the team members gained valuable experience that will help prepare them for next year's competition.

Iowa Teacher Shortage Loan Forgiveness Program

A total of 169 Iowa teachers have been designated to receive loan repayment awards for their instructional service in shortage areas during the 2011-12 academic year. The 2011-12 Iowa Teacher Loan Forgiveness application cycle saw tremendous growth in demand for the program, with a total of 699 applications being received (compared to

397 in 2010-11, which was a previous record application cycle). The designated teachers will receive loan repayments totaling \$664,408, to be paid directly to their education loan lenders in June, 2012.

The Iowa Teacher Shortage Loan Forgiveness Program offers loan repayment assistance to licensed Iowa educators that are teaching in shortage subject area as designated by the Iowa Department of Education.

Terry E. Branstad Iowa State Fair Scholarship

Two Iowa high school seniors were recently designated to receive a \$1,000 award for the Terry E. Branstad Iowa State Fair Scholarship for the 2012-13 academic year. A total of fifty-three completed applications were received and reviewed by the scholarship nomination committee. In addition, the Iowa State Fair Queen will also receive a \$2,000 scholarship for the 2012-13 academic year.

The Governor Terry E. Branstad Iowa State Fair Scholarship recognizes outstanding Iowa high school seniors who have actively participated in the Iowa State Fair.

College Application Week

Nancy Ankeny attended a meeting in Indianapolis regarding College Application Week. The meeting was hosted by Lumina Foundation. Representatives from 18 states and D.C. were in attendance and discussed best practices for holding an event. Many ideas were shared from those states that have been successful in the past. Iowa College Aid has agreed to coordinate the event for Iowa and will begin a pilot program with several GEAR UP schools this fall. We have already received commitment from several colleges who will provide volunteers. A steering committee is currently in the process of being put together and will be instrumental in shaping the event for our state. Other states who have committed to holding an event in 2012 include: Arizona, DC, Delaware, Hawaii, Illinois, Massachusetts, Oklahoma, Rhode Island and Virginia.

IOWA COLLEGE STUDENT AID COMMISSION

MINUTES OF MEETING

March 16, 2012

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	Rob Denson
Bob Donley	Randy Feenstra
Crystal Ford	Ron Jorgensen
Fred Moore	Herman Quirnbach
Doug Shull	Roger Utman
Karolyn Wells	Cindy Winckler

Members Absent:

Randy Feenstra	Terrence Martin
Kelli Todd	

Staff Present:

Todd Brown	John Gilman
Deb Krueger	Julie Leeper
Karen Misjak	Julie Ntem
Carolyn Small	Ashley Wendt

Attorney General Present:

David VanCompernelle

Guests Present:

Barbara Barrett	Nova Southeastern University
Wanda Boatwright	Ashford University
Danielle Buckius	Franklin University
Marc Hendel	Iowa Student Loan
Elenore Howell	Creighton University
Jody Lang	Creighton University
Lois Leytem	Capri College
Victor Lopez	Nova Southeastern University
Mary Ann Lowe	Nova Southeastern University
Greg Stiber	Nova Southeastern University
Liza Sumalong	Nova Southeastern University
Dr. Stanley Wilson	Nova Southeastern University

Call to Order

The Iowa College Student Aid Commission met for a regularly scheduled meeting on March 16, 2012. Commission Chair Adams called the meeting to order at 10:00 a.m. with a quorum present.

Minutes of Meeting

Motion: Commissioner Shull moved to approve the February 2, 2012 Commission Meeting Minutes and February 2, 2012 Retreat Meeting Minutes as written. Commissioner Utman seconded the motion which passed unanimously.

Executive Director's Report

Ms. Misjak said SF 3139 to merge the Commission with the Iowa Department of Education did not make it through funnel week and she does not expect to hear anything further on this issue during this session. The plan is to work this summer on developing a plan on how the merger would impact both agencies and to be better prepared before the next session. A retreat with the Legislative Committee will be scheduled.

The month of April is Financial Literacy Awareness Month and plans to get as many students certified in the Iowa Financial Literacy Awareness Program are underway. Ms. Misjak said the Governor will sign a proclamation on March 28th for Financial Literacy Awareness Month in his formal office at 3:45p.m. Staff worked with Iowa Bankers Association and with EverFi Inc. to put out a challenge for students to create a video on the importance of financial literacy. Iowa Bankers Association is awarding the winning school a \$1,000 technology grant and EverFi Inc. is awarding the winning team \$250 to share amongst the members. Commissioner Denson asked how many students are currently using the Iowa Financial Literacy Program. Ms. Misjak said there have been 4,000 students certified this year in the program.

GEAR UP Iowa was one of the sponsors of the Real World Design Challenge that was held at the Science Center of Iowa on February 18th, 2012. Ms. Misjak said the winner of that state-level challenge will be going to Washington D.C. on April 20th through 23rd to compete in the national challenge. Two teams from Iowa are joining together to do the national challenge; Hoover High School and Davenport West High School. This team will consist of seven students, including four GEAR UP Iowa students.

Franklin University-Postsecondary Registration

Commissioner Winckler said there have been a number of times that the Commission has waived the faculty member criteria of the Administrative Rules, and was concerned about waiving this requirement since it is a student consumer protection issue. Ms. Small replied that the waivers granted thus far were for distance education providers, which the Commission authorized in its March 2011 meeting. Ms. Small stated that staff will bring the Commission future Administrative Rules changes that address this issue to ensure that the interests of students are considered as well as what is fair to schools.

Motion: Commissioner Wells moved to approve the application for postsecondary registration in Iowa for Franklin University with a waiver of the full-time, Iowa-resident faculty member or program

coordinator requirement of administrative rules. Commissioner Shull seconded the motion which passed unanimously.

Nova Southeastern University- Postsecondary Registration

In response to a question regarding average debt level from Commissioner Donley, Mr. Stiber explained that the figure presented is an institutional figure for the average student loan debt for graduates. Nova Southeastern University is primarily a master's and doctoral degree-granting institution and the level of the figures reflect that fact. Mr. Stiber continued by stating that the purpose of Nova Southeastern University's application was to provide flexibility and access for lowans, if they choose to consider the institution.

Motion: Commissioner Utman moved to approve the application for postsecondary registration in Iowa for Nova Southeastern University with a waiver of the full-time, Iowa-resident faculty member or program coordinator requirement of administrative rules. Commissioner Shull seconded the motion which passed unanimously.

Creighton University- Postsecondary Registration

Motion: Commissioner Shull moved to approve the application for postsecondary registration in Iowa for Creighton University. Commissioner Utman seconded the motion which passed unanimously.

Administrative Rules

Ms. Leeper said the proposed Administrative Rules for Chapter 14- Heath Care Professional Recruitment Program are ready to be adopted and that no changes have been made.

Motion: Commissioner Ford moved to adopt and file amendments to *Administrative Rules Chapter 14- Heath Care Professional Recruitment Program*. Commissioner Denson seconded the motion which passed unanimously.

There is a proposal to change the Administrative Rule Chapter 36- Governor Terry E. Branstad Iowa State Fair Scholarship Program. Ms. Leeper said it has been requested to remove the requirement that only the interest earned on the fund be used to make awards.

Motion: Commissioner Shull moved to propose an amendment to *Administrative Rule Chapter 36 – Governor Terry E. Branstad Iowa State Fair Scholarship Program*. Commissioner Ford seconded the motion which passed unanimously.

Legislative Committee Report

Ms. Leeper said the budget proposals are still making their way through the House and Senate. Ms. Leeper then provided a synopsis of Commission-related bills that she is monitoring this legislative session. HF 2389, a study bill for establishing a rural Iowa primary care grant and

forgivable loan program to be administered by the Commission, has received no state appropriation and to date there is no funding for administration. SF 2024, an act relating to workforce training programs in community colleges, would also be administered by the Commission with no funding for administration. SF 2225 is a bill requiring postsecondary institutions to have child abuse reporting policies which would be monitored by the Commission; institutions eligible to receive Iowa Tuition Grant funding would be required to have policies in place before receiving monies. SF 2267 is the Commission's postsecondary registration bill. Ms. Leeper said this bill has made its way through the Senate and is eligible for debate on the House floor.

The Governor has agreed to declare April as Financial Literacy Month and on March 28th, 2012, at 3:45 p.m. a proclamation will be signed. Ms. Leeper invited Commissioners to attend the signing ceremony.

Commissioner Winckler said HF 2389 allows contributions from entities outside state government for the primary care grant and forgivable loan. Commissioner Winckler suggested that the Commission continue to pursue authority to obtain 501(c)3 status. Ms. Misjak reiterated that the Commission is unable to apply for some grants without 501(c)3 status. Commissioner Winckler noted that the proposed program would require payment only after a physician works five years in a shortage area. Ms. Leeper said it would be more difficult for Commission staff to track program recipients under this program and ensure that loan repayment funding will be available for physicians at the end of their required service.

Commissioner Quirnbach told Commissioners that the proposal passed out of the Education Committee. Although the bill did not move to the Senate floor for an Iowa Internship Program Clearinghouse and as a stand-alone bill, language will be included in the Education Appropriations bill. The language directs the Commission to provide a report to the General Assembly with a more detailed proposal. Commissioner Denson said there are websites currently in place that meet the needs of interns and wonders if the Commission could partner with the entities that provide those websites.

Staff Reports

Ms. Krueger presented the FY 2012 Revenue and Expenditure Summary.

Ms. Ntem provided a report on I Have a Plan Iowa™. A chart was shared showing the performance vs. unique visitors to the web portal. Ms. Misjak said if schools are using the portal correctly, 30,000 new accounts will be created every year as a new round of students reach the 8th grade.

Mr. Brown provided a handout and presentation on Forgivable Loan Programs vs. Loan Repayment Programs. Commissioner Winckler said the amount that Iowa has for postsecondary grants in the state of Iowa is pretty stagnant. The conversations are not happening to increase the capacity. The state of Iowa has 40% of individuals with a postsecondary degree and 63% of the jobs will require postsecondary degrees, she said.

Commission adjourned at 11:25 a.m.

JANET ADAMS, CHAIR

CRYSTAL FORD, VICE CHAIR

IOWA COLLEGE STUDENT AID COMMISSION

Proposed Meeting Schedule May 2012

RECOMMENDED ACTION:

Approve a meeting schedule for Fiscal Year 2013.

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.

Unless otherwise indicated, the meetings will begin at 10:00 a.m., and we will plan to adjourn by 2:00 p.m.

- July 13, 2012
- September 21, 2012
- November 16, 2012
- January 18, 2013
- March 15, 2013
- May 17, 2013

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

IOWA COLLEGE STUDENT AID COMMISSION

**Administrative Rules
May 2012**

RECOMMENDED ACTION:

Move to propose to rescind *Administrative Rules Chapter 16 – “Washington, D.C., Internship Grant Program”*.

The Washington, D.C., Internship Grant Program was established by the 82nd General Assembly in House File 2679. The program has not been funded since its inception in 2008. Because the program was established only in House File 2679 and not established in Iowa Code, staff recommends that the Administrative Rules be rescinded.

IOWA 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 rescind Chapter 16, “Washington, D.C., Internship Grant,” Iowa Administrative Code.

The rules in Chapter 16 describe the administration of the Washington, D.C., Internship Grant Program. This program was created by the 82nd General Assembly in House File 2679 and has not been funded since 2008. The agency proposes the elimination of these unnecessary rules.

Interested persons may submit comments orally or in writing by 4:30 p.m. on July 9, 2012, to the Executive Director, Iowa College Student Aid Commission, 5th Floor, 603 East 12th Street, Des Moines, Iowa 50319-9017; fax (515) 725-3401.

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.

This amendment is intended to implement Iowa Code chapter 261.

The following amendment is proposed:

Rescind subrule 16.1 (82GA, HF2679).

CHAPTER 16 WASHINGTON, D.C., INTERNSHIP GRANT

283—16.1(82GA, HF2679) Washington, D.C., internship grant.

16.1(1) The Washington, D.C., internship grant is a state-supported and state-administered grant to a national nonprofit organization to be used to assist Iowa students in financing the costs of internship programs in Washington, D.C.

16.1(2) Definitions. As used in this chapter:

“*Internship*” means a placement in Washington, D.C., for which the recipient receives college credit that is directly applied to the recipient’s transcript at the Iowa college or university in which the recipient is enrolled.

“*National nonprofit organization*” or “*organization*” means the Washington Center for Internships and Academic Seminars located at 1333 16th Street N.W., Washington, D.C. 20036-2205.

283—16.2(82GA, HF2679) Awarding of grant.

16.2(1) At the beginning of each fiscal year, the college student aid commission shall enter into a statewide affiliation agreement with, and award funding to, the national nonprofit organization as provided by 2008 Iowa Acts, House File 2679. All Iowa students shall be given an equal opportunity to apply for funding under the internship program.

16.2(2) Restrictions. The following restrictions on the funding apply:

- a. One hundred percent of the funding must go directly to students in the form of academic scholarships.

b. All awards must be reported to the college student aid commission by June 30 for each fiscal year in which funding is distributed. Information must be reported in a format prescribed by the commission, and information about each recipient shall, at a minimum, include:

- (1) Student-specific information including name and address;
- (2) Iowa college or university at which the student is enrolled;
- (3) Amount of award provided to the student; and
- (4) Name of the organization to which the student is assigned.

c. Up to 50 percent of the funding shall be dedicated to students participating in the two-to-one federal and state matching agricultural biofuels from biomass internship pilot program if the program is funded by the U.S. Congress.

283—16.3(82GA, HF2679) Student eligibility.

16.3(1) Applicants must:

- a. Be residents of the state of Iowa;
- b. Be enrolled in Iowa-accredited higher education institutions, as defined in Iowa Code section 261.92, subsection 1; and
- c. Complete and file the Free Application for Federal Student Aid (FAFSA).

16.3(2) Applicants must complete and file annual applications for the internship program by the deadline established by the national nonprofit organization. If funds remain available after the application deadline, the organization will continue to accept applications. To ensure equal access to the application process, the application and information about the grant will be provided on the commission's Web site.

16.3(3) Applicants must begin their first internship positions in Washington, D.C., on or after July 1, 2008.

283—16.4(82GA, HF2679) Awarding of funds.

16.4(1) *Selection criteria.* All applications received on or before the published deadline will be considered for funding. In the event that all applications for the program cannot be funded with the available appropriations, criteria for selection of recipients will be prioritized under standards established by the national nonprofit organization.

16.4(2) *Award amount.* The maximum annual award to an eligible intern shall be \$2,000.

16.4(3) *Extent of assistance.* Recipients may receive grant assistance for no more than one semester.

16.4(4) *Disbursement of funds.* The national nonprofit organization will disburse funds to recipients in accordance with the established payment schedule developed by the organization.

283—16.5(82GA, HF2679) Restrictions. An applicant who is in default on a Federal Stafford Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for internship benefits. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5.

IOWA COLLEGE STUDENT AID COMMISSION

ITT Technical Institute Application for Postsecondary Registration Renewal in Iowa May 2012

RECOMMENDED ACTION:

Approve ITT Technical Institute's application for renewal of its postsecondary registration in Iowa with the following stipulation:

- ITT Technical Institute must have a process in place to provide the tuition refund required by Iowa Code Section 714.23, subsection 2, paragraph b (as revised by Iowa Senate File 2267 effective July 1, 2012), for:
 - All Iowa residents who withdraw from their online programs on/after July 1, 2012, and
 - All students attending the Institute's campuses located in Iowa who withdraw from their programs on and after July 1, 2012.

Registration Purpose

ITT Technical Institute has applied for renewal of its registration to:

- Continue offering postsecondary educational programs via in-person instruction at two Iowa locations (see below)
- Update its registration status to include postsecondary educational programs that the school offers to Iowans via distance education, and that are coordinated by its Indiana campus

Background

ITT Technical Institute is a for-profit institution with its principal office at 13000 N. Meridian St., Carmel, Indiana. Distance education programs that the Institute offers to Iowans are coordinated through this Indiana location.

In addition, ITT Technical Institute currently operates two Iowa-based campuses where the school offers postsecondary educational programs via in-person instruction:

- 3735 Queen Court SW, Cedar Rapids, IA
- 1860 NW 118th St., Suite 110, Clive IA

Previously, the individual Iowa campuses of ITT Technical Institute were registered separately. This treatment does not align with the Commission's standard registration process, i.e., to register an *institution* to operate at one or more Iowa locations. A registered institution that wishes to change or add on a location should do so through an amendment to the *institution's* registration. Therefore, Commission staff instructed ITT Technical Institute to apply for renewal of the institution's registration, including both of its Iowa campuses and its distance education programs, when the registration term for its Clive, Iowa campus was set to expire.

ITT Technical Institute's Chief Executive Officer is Kevin Modany, 13000 N. Meridian St., Carmel, IN. The Institute is registered with the Iowa Secretary of State to conduct business in the State of Iowa. Its registered agent is CT Corporation system, 500 E. Court Ave., Des Moines, IA 50309.

ITT Technical Institute is accredited by the Accrediting Council for Independent Colleges and Schools, a national accrediting agency that is recognized by the U.S. Department of Education.

Programs Offered in Iowa

ITT Technical Institute seeks registration in Iowa to continue offering both residential and distance education programs in Iowa, as follows. Total charges for tuition, books, and supplies are listed for each program. Prospective students should consult the Institute's federal program disclosure web page for updated information about tuition and fee charges associated with each residential or online program <http://programinfo.itt-tech.edu/>

Programs Offered in Iowa – Residential Programs	Tuition	Books & Supplies (not applicable in all cases)	Fees	Total
Associate of Science (A.S.) – Network Systems Administration	\$44,370		\$200	\$44,570
A.S. – Mobile Communications Technology	\$44,370		\$200	\$44,570
A.S. – Electrical Engineering Technology	\$44,370		\$200	\$44,570
A.S. – Drafting and Design Technology	\$44,370		\$200	\$44,570
A.S. – Graphic Communications and Design	\$44,370		\$200	\$44,570
A.S. – Business Management	\$44,370		\$200	\$44,570
A.S. – Criminology and Forensic Technology	\$44,370		\$200	\$44,570
A.S. – Paralegal	\$44,370		\$200	\$44,570
A.S. – Information Technology, Computer Network Systems	\$47,328		\$200	\$47,528
A.S. – Computer and Electronics Engineering Technology	\$47,328		\$200	\$47,528
A.S. – Computer Drafting and Design	\$47,328		\$200	\$47,528
A.S. – Criminal Justice (Clive campus only)	\$47,328		\$200	\$47,528
Bachelor of Science (B.S.) – Information Systems and Cybersecurity	\$88,740		\$200	\$88,940
B.S. – Information Systems Security (Clive campus only)	\$88,740		\$200	\$88,940
B.S. – Electrical Engineering and Communications Technology	\$88,740		\$200	\$88,940
B.S. – Business Management	\$88,740		\$200	\$88,940
B.S. – Project Management and Administration	\$88,740		\$200	\$88,940
B.S. – Criminal Justice (Clive campus only)	\$88,740		\$200	\$88,940
Programs Offered in Iowa – Distance Education Programs				

Associated of Applied Science (A.A.S.) – Information Systems Administration	\$38,340		\$300	\$38,640
A.A.S. – Computer Forensics	\$38,340		\$300	\$38,640
A.A.S. – Network Systems Administration	\$38,340		\$300	\$38,640
A.A.S. – Drafting and Design Technology	\$38,340		\$300	\$38,640
A.A.S. – Web Design Technology	\$38,340		\$300	\$38,640
A.A.S. – Web Design	\$38,340		\$300	\$38,640
A.A.S. – Accounting	\$38,340		\$300	\$38,640
A.A.S. – Business Management	\$38,340		\$300	\$38,640
A.A.S. – Business Administration	\$38,340		\$300	\$38,640
A.A.S. – Business Accounting Technology	\$38,340		\$300	\$38,640
A.A.S. – Criminology and Forensic Technology	\$38,340		\$300	\$38,640
A.A.S. – Criminal Justice	\$38,340		\$300	\$38,340
A.A.S. – Paralegal	\$38,340		\$300	\$38,640
A.A.S. – Paralegal Studies	\$38,340		\$300	\$38,640
B.S. – Information Systems and Cybersecurity	\$76,680		\$300	\$76,980
B.S. – Information Systems Security	\$76,680		\$300	\$76,980
B.S. – Project Management	\$76,680		\$300	\$76,980
B.S. – Construction Management	\$76,680		\$300	\$76,980
B.S. – Accounting	\$76,680		\$300	\$76,980
B.S. – Business Management	\$76,680		\$300	\$76,980
B.S. – Business Administration	\$76,680		\$300	\$76,980
B.S. – Business Accounting Technology	\$76,680		\$300	\$76,980
B.S. – Project Management and Administration	\$76,680		\$300	\$76,980
B.S. – Technical Project Management	\$76,680		\$300	\$76,980
B.S. – Criminal Justice	\$76,680		\$300	\$76,980
B.S. – Criminal Justice, Cybersecurity	\$76,680		\$300	\$76,980
Master of Business Administration	\$25,056		\$300	\$25,356

In its Clive and Cedar Rapids catalogs, the school footnotes all of the classes in many of the residential programs listed above as follows:

+In this program, this course may be taught either completely in residence at the school, completely online over the Internet as a distance education course or partially in residence and partially online, as determined by the school from time to time in its discretion.

Staff questioned whether this footnote meant that ITT Technical Institute would offer a course to a student enrolled in a residential program in only an online format. ITT Technical Institute provided written assurances that it is committed to the delivery of in-person instruction in programs that it offers at Iowa-based campuses, and that no resident ITT Technical Institute campus in Iowa will teach or offer an otherwise resident course only in an online format. Residential offerings of all courses are always available to students and online offerings are available as only an option and not a requirement. Students may elect to take one or more courses in an online format. The Institute states that in the vast majority of cases these are general education and not core courses. However, a residential student who elects to take a program course online will be charged the residential, per-credit-hour tuition rate for that course, and not the lower per-credit-hour tuition rate for a student who is enrolled in an online program. ITT Technical Institute states that this is because a student who attends a resident campus in Iowa and elects to take one or

more courses online will still have access to all campus resources, including labs, tutoring, and access to faculty and administrative staff.

Registration Compliance

As required by Iowa Code Section 261B.4, ITT Technical Institute disclosed its policy on refunding tuition charges for students who withdraw from its Iowa campus, and for Iowa residents who are enrolled in its online programs. The school's specific tuition refund policy is not a registration criterion at this time, although provisions of Iowa Code Section 714.23 do require certain for-profit institutions to provide a minimum tuition refund. ITT Technical claimed an exemption from the Iowa tuition refund policy under Iowa Code Section 714.23, subsection 3. However, Iowa Senate File 2267 (approved by Governor Terry Branstad on April 12, 2012) repeals this exemption effective July 1, 2012. Thus, ITT Technical Institute must establish a process to provide Iowa residents enrolled in its online programs and all students attending its Iowa-based campuses with the minimum tuition refund guaranteed under Iowa law as stipulated under "Recommended Action" above.

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 ITT Technical Institute's Student Handbook for the Clive and Cedar Rapids campuses, and in its Indianapolis catalog for online students:
 - <http://info.itt-tech.edu/public/StudentHandbooks/117StudentHandbook.pdf>
 - <http://info.itt-tech.edu/public/StudentHandbooks/132StudentHandbook.pdf>
 - <http://itt-tech.edu/campus/download/011.pdf>
- 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. The Institute discloses this policy in its enrollment agreement for students that attend the Clive and Cedar Rapids campuses, and in its Indianapolis catalog for online students.

On its registration application, ITT Technical Institute affirms its willingness to comply with the requirements of Iowa Code Chapter 261B.9, as stipulated by Iowa Code Section 261B.4(8). Chapter 261B.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 and are provided in the school's catalog.

ITT Technical Institute disclosed its procedure for preserving student records. Student academic and financial files are maintained in a secure, fire-resistant file room and in fire-resistant file cabinets located in the school's administrative area. Students receive federal Pell Grant funding have duplicate files maintained at the Institute's headquarters in Carmel, IN. All current graduate placement files are maintained in locked files in the Career Services offices. Older graduate placement files are maintained in the secure file resistant file room. Student academic, graduate placement and financial records are stored electronically and backed up daily.

Students and graduates who seek transcript information should contact:

ITT Tech – Cedar Rapids campus
Registrar's Office
3735 Queen Court SW, Cedar Rapids, IA 52404
319 297 3400

ITT Tech – Clive campus
Registrar's Office
1860 SW 118th St., Suite 110, Clive IA 50325
515 327 5500

ITT Tech – online programs
Registrar's Office
9511 Angola Court, Indianapolis IN
317 875 8640

ITT Technical Institute 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 believes that, provided a school does not claim "approval" or "accreditation" by the Commission, the school serves the public's interests if it discloses that it is registered with the Commission, and provides contact information for the Commission in its student-directed materials so that Iowa residents may direct questions or express concerns about the school to Commission staff. Staff requests that Commissioners permit this limited disclosure under the conditions described immediately above. This limited disclosure will be required effective July 1, 2012, per revised Iowa Code Chapter 261B.7 as enacted by approved Iowa Senate File 2267.

ITT Technical Institute complied with the following additional requirements of administrative rules:

- An independent audit was conducted by PricewaterhouseCoopers LLP for the institutional fiscal year ending December 30, 2010. The auditing firm expressed its opinion that the Institute's financial statements present fairly, in all material respects, the school's financial position.

Private, non-profit and for-profit schools that participate in the federal student aid programs must meet additional standards of financial responsibility that are alluded to in the school's consolidated financial statements:

- A private non-profit or for-profit 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.” Staff did not find that the Institute’s independent auditor tested the school’s composite score for the fiscal year ending December 31, 2010. The federal Department of Education’s most recent composite score record for ITT Technical Institute is for the institutional fiscal year that ended December 31, 2009, when the institution’s composite score was 2.3.
- A for-profit school is prohibited from deriving more than 90% of its revenue from Title IV aid. ITT Technical Institute reports that it derived 59% of its revenue from Title IV aid for the fiscal year ending December 31, 2010.
- ITT provided information about library and other learning resources for students. Residential students at ITT Technical Institute have access to an on-site Learning Resources Center (LRC) that provides access to a collection of print publications, audio-visual materials, software applications, computer workstations, printers, and other equipment. The LRC also provides circulation and reference services, and a study and tutoring space. The LRC provides a substantial amount of technical material along with general reference and periodical material. All students must use the LRC to complete specific course assignments and research, and to complete certain personal development, career research, and resume building exercises. Tutorials in mathematics and electronics are available in the LRC.

All students (including online program students) have access to the Virtual Library, which has an extensive collection of reference and resource materials for students’ use 24/7, 365 days per year from any web-enabled computer. A Corporate Librarian with a Master of Library Science degree manages the Virtual Library. Support staff at the campus-based LRC are trained to provide research assistance to residential students during hours that the LRC is open.

- The Institute employs two full-time Iowa-resident Program Directors:
 - Cedar Rapids: Erica Seaman, 319-297-3400
 - Clive: Jodi Clendenen, 515-327-5500

ITT Technical Institute also employs 35 faculty at the Clive campus, 6 of whom are full time. At the Cedar Rapids campus, the school employs 17 faculty, 3 of whom are full time. Based upon job descriptions submitted with its 2009 registration application for the Cedar Rapids campus, it appears that ITT Technical Institute complies with its policies for hiring faculty. Faculty for general education courses must have a master’s degree or above and a minimum of 18 graduate semester hours in the field of study in which they teach. Faculty that teach non-general education courses must have a minimum of a bachelor’s degree and 15 semester credit hours in the field of study in which they teach. To teach upper division courses in a baccalaureate degree program, the faculty member must have a minimum of a master’s degree or a bachelor’s degree and equivalent professional certification or other related documented learning or expertise.

Staff noted that the job description for School Chair (a supervisory position in an academic area) describes educational qualifications as follows:

Bachelor's degree is required. Faculty teaching upper division courses must have a minimum of a Master's degree or when applicable, an equivalent professional certification or other related documented learning or expertise. . .

Based on the Institute's policies, a School Chair who meets only the minimum educational criteria (a baccalaureate degree) is prohibited from teaching upper level baccalaureate degree courses. Therefore, staff questioned the School Chair position's minimum educational qualifications in light of the School Chair's duties, which include faculty supervision, ensuring proper curricula delivery, and providing curricula feedback. ITT Technical Institute provided written clarification of the educational qualifications for School Chair, and its policies for providing academic oversight, as follows:

The majority of our School Chairs do have the required minimum of a Masters degree. For those School Chairs who do not have a Masters degree or are working towards one, it is our common practice to only assign them to teach lower division courses in their related program. For those occasions when a School Chair with only a Bachelor's degree is assigned to teach upper division courses, they must have applicable professional certification(s) in their field of instruction to supplement their Bachelors degree and industry/teaching experience. Those that do not are not allowed to teach any upper division courses per our policy. Per the requirement of our accrediting agency, all ITT Technical Institutes with a school of study headed by a School Chair who has only a bachelor's degree must also have a subject matter expert to oversee specific program and/or upper division curriculum. All subject matter experts are Masters degree level (or higher) faculty members who are assigned to those programs where the School Chair does not meet program and/or upper division course requirement, but is qualified to oversee the remaining curriculum. The student body and faculty are notified of who the designated subject matter expert for a given program is and it is their responsibility to provide program and curriculum feedback for the programs/courses they oversee.

- ITT Technical Institute has a National Curriculum Committee who evaluates curriculum on an ongoing basis for each educational program. This Committee includes instructors, School Chairs, and deans from throughout the country. Recommendations regarding changes and updates are made to the Corporate Curriculum Development Department. This department includes National Chairs who specialize in a particular industry or area of expertise. Each of the National Chairs pursues a rigorous and ongoing program of keeping up with trends, changes, and standards in their respective industry through attendance at industry conferences, participation in trade associations, reading industry journals, consultation with textbook publishers, hardware and software vendors, technology service providers, and interaction with other educators in that field. ITT Technical Institute included in its application the resumes for its Chief Academic Officer and National Curriculum Committee. These individuals have advanced degrees, and academic/industry expertise in the areas of chemical engineering, architecture, industrial design and engineering technology, information technology, electronics technology, and physics.

- ITT Technical Institute provides assurances in its registration application that it has adequate physical facilities, including administrative and educational areas, theory rooms, laboratories, and a Learning Resource Center consisting of 19,000 square feet at the Cedar Rapids campus and 18,700 square feet at the Clive campus. During the application review process, ITT Technical Institute provided current lease agreements and applicable addendums for both campuses.
- During the application review process, ITT Technical Institute provided an updated statement signed by the school's chief executive officer, Kevin M. Modany, stating that the school is committed to delivery of programs to students in Iowa and agreeing to provide alternatives for students to complete programs at the same or other schools if it closes a program before students have completed their course of study.
- ITT Technical Institute is not subject to a limitation, suspension, or termination order from the U.S. Department of Education relating to its eligibility to participate in the federal student aid programs.

Student Complaints

None.

Additional Information

ITT Technical Institute disclosed the following additional information as required by the registration application. These data are provided for informational purposes only; they do not relate to registration criteria under Iowa Code or administrative rules at this time.

Federal Stafford Loan Cohort Default Rate (FFY 2009)

- ITT Technical Institute's FFY2009 cohort default rate was calculated in the aggregate for all but one campus (located in Washington) and reported as a single rate: 22.6%
 - FFY 2009 national average cohort default rate: 8.8%

Average Debt Upon Graduation

During the application review process, ITT Technical Institute provided median loan debt upon graduation data for programs offered at the Clive and Cedar Rapids, Iowa campuses. In all cases below, "N/A" indicates that data is not available because there were no graduates of that program during the year for which data is reported.

Program of Study	Median Loan Debt From		
	Title IV Program Loans	Private Education Loans	Institutional Financing Plans
A.S. Criminal Justice	\$27,807	\$3,900	\$0
B.S. Criminal Justice	\$47,184	\$12,306	\$0
A.S. Business Management	N/A	N/A	N/A

B.S. Business Management	N/A	N/A	N/A
A.S. Electrical Engineering Technology/Computer and Electronics Engineering Technology	\$27,786	\$4,173	\$0
A.S. Computer Drafting and Design	\$27,784	\$4,883	\$0
A.S. Criminology and Forensic Technology	N/A	N/A	N/A
B.S. Information Systems Security/Information Systems and Cybersecurity	\$42,100	\$10,650	\$0
A.S. IT-Computer Network Systems	\$27,052	\$4,287	\$0
A.S. Drafting and Design Technology	N/A	N/A	N/A
B.S. Electrical Engineering and Communications Technology	N/A	N/A	N/A
A.S. Graphic Communications and Design	N/A	N/A	N/A
A.S. Mobile Communications Technology	N/A	N/A	N/A
A.S. Network Systems Administration	N/A	N/A	N/A
A.S. Paralegal	N/A	N/A	N/A
B.S. Project Management and Administration	N/A	N/A	N/A
A.S. Visual Communications	\$26,233	\$4,050	\$0

Graduation rate

The graduation rate is the percentage of first-time, full-time undergraduate students who enrolled at the school during the 2004-2005 academic year and who graduated from the school within 150% of the normal time for program completion, as reported to the U.S. Department of Education. The graduation rate ITT Technical Institute reported to the U.S. Department of Education for its Indianapolis campus is 23%.

In response to the registration application request for graduation rate, ITT Technical Institute responded that its campuses in Clive and Cedar Rapids were not in operation during all of the

applicable period. The school stated that for its Indianapolis campus, 39% of the overall cohort were pursuing bachelors degrees in 2004. Of that cohort, 16% graduated in 4 years, 13% graduated in 5 years and 16% graduated in 6 years.

Compliance with Iowa Code Chapter 714 and 261F

Section 714.18 – Evidence of Financial Responsibility

ITT Technical Institute filed sufficient evidence of financial responsibility under Iowa Code Chapter 714.18, including a continuous, corporate surety bond issued by Westchester Fire Insurance Company 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.

ITT Technical Institute claimed an exemption from this policy under Section 714.23, subsection 3: “If the financial obligations of a student are for three or fewer months duration, this section does not apply.” After consultation with the Consumer Protection Division of the Iowa Attorney General’s Office, staff determined that, at this time, ITT Technical Institute qualifies for the exemption because its programs are structured in quarter terms of less than 3 months in length and the school charges students consecutively for each individual quarter term. However, the Institute must implement the State Tuition Refund Policy, as described in the stipulation under “Recommended Action,” based on a repeal of this exemption in approved Iowa Senate File 2677 effective July 1, 2012.

Section 261F.6 – Preferred Lender Lists

During the registration application review process, staff discovered that web-based financial aid disclosures for the Clive and Cedar Rapids campus of ITT Technical Institute included the specific names of two private education loan lenders who offer private education loans to ITT Technical Institute students. This constitutes a preferred lender list. Iowa Code Section 261F.6 prescribes standards for schools that maintain a preferred lender list. ITT Technical Institute updated its preferred lender list during the application review period to include the requisite number of unaffiliated lenders (i.e., a minimum of three). ITT Technical Institute also updated its financial aid disclosure web page to include disclosures required by Section 261F.6, subsection 2. Staff referred the matter of disclosure placement to the Consumer Protection Division of the Iowa Attorney General’s Office for review.

Financial Aid Information Disclosures

During the registration application review process, ITT Technical Institute revised its institutional catalog and its web-based financial aid disclosures for the Clive and Cedar Rapids campus to reflect current information about available federal student aid programs and current terms of federal Stafford loans.

IOWA COLLEGE STUDENT AID COMMISSION

Southwest Minnesota State University Application for Postsecondary Registration in Iowa May 2012

RECOMMENDED ACTION:

Approve the application for postsecondary registration in Iowa for Southwest Minnesota State University (SMSU) for a provisional period of 2 years with a waiver of the full-time, Iowa-resident faculty member or program coordinator requirement of administrative rules.

During this two-year provisional period, Southwest Minnesota State University may:

- Recruit students for attendance in the educational program it wishes to offer in Iowa.
- Initiate instruction in its educational program, subject to the Iowa site reporting requirement described below.

Before the expiration of this provisional 2-year registration period, SMSU must request that the Commission remove its provisional registration status and extend its registration period to the full 4-year term. At that time, SMSU must demonstrate that it meets the Iowa administrative rule requirement to employ a full-time Iowa-resident faculty member or program coordinator devoted to Iowa students.

As an ongoing condition of registration and per Iowa Code Chapter 261B.5, SMSU must notify the Commission within 90 days of the date it establishes an instructional site in Iowa. Under its established instructional model, SMSU will not establish a fixed, permanent location in Iowa. SMSU will determine Iowa sites every two years based on interest demonstrated by prospective students in one or more geographic locations. See "Physical Facilities" below for additional information.

Other information that is pertinent to this recommendation appears below under "Registration Purpose" and "Programs Offered in Iowa."

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 some aspect of the school's distance education programs or its operations relative to distance education programs occurs at a location in Iowa. This could occur, for example, when a school's distance education program requires a student to complete a clinical, practicum, or internship/externship that the student participates in at a location in Iowa, or when the school conducts recruiting activities for its distance education programs at a physical location in Iowa or employs instructors in its distance education programs that work for the school remotely from a physical location in Iowa. In addition, a school must register in Iowa if it offers any portion of an educational program through in-person instruction at an Iowa location.

SMSU requests registration in order to initiate promotional activities and in-person instruction in Iowa pursuant to one two-year, graduate level, non-licensure education program (see “Program Offered in Iowa” below for more information). Upon registration approval, SMSU will initiate program promotion in Iowa by distributing brochures about the program via e-mail or U.S. mail to prospective students in anticipated geographic areas of interest. SMSU will schedule informational meetings with prospective students based on feedback received from interested Iowans so that Education Department graduate faculty have the opportunity to meet with students. SMSU will select an Iowa instructional site(s) every two years based on the location of interested prospective students. SMSU has a demonstrated history of success utilizing this flexible program delivery method. Since 1998, SMSU has provided instruction to 82 student cohorts (2577 individual students) at various locations throughout Minnesota and South Dakota. SMSU states that its graduation rate in the program it proposes to begin offering in Iowa is 98%.

See “Program Offered in Iowa” below for additional information about class scheduling, instructional methodology and delivery.

Institutional Information

SMSU is a public university that is part of the Minnesota State College and University System but is not governed by the University of Minnesota Board of Regents. SMSU’s only campus is located at 1501 State St., Founders Hall 209, Marshall, Minnesota. The University’s chief executive officer is Dr. Ronald Wood, Interim President, at the same address. SMSU is not registered with the Iowa Secretary of State as an entity transacting business in Iowa – such registration is not applicable to SMSU because it is a state entity.

Program Offered In Iowa

SMSU applied for registration to offer via in-person instruction one two-year, graduate level program – a Master of Science in Education: Teaching, Learning, and Leadership. This program does not prepare students for initial licensure in any state as a teacher or school administrator and therefore SMSU was not required to seek the approval of the Iowa Board of Education.

Tuition, fees, books, supplies, and other associated costs of this two-year graduate program total \$13,294.74.

SMSU will offer this program in Iowa primarily via in-person instruction but in a nontraditional format. A specific cohort of students who progress through the program together – which SMSU calls a “learning community” – set their own class meeting dates on weekends 10 times per year during the period August through June, generally 8 am to 5 pm on Saturday and 8 am to 4 pm on Sunday, for a total of 15 instructional hours per month. In-person instruction in this program is augmented by Desire2Learn, an online course room used primarily as a repository of handouts, assignments, etc. Communication is augmented with use of e-mail and telephone during the week. The Graduate Program Director is also accessible to answer questions via e-mail and telephone. SMSU strives to maintain a 48-hour turn-around time for answering student questions.

Each student cohort receives instruction from a team of two instructors, which SMSU calls facilitators: a lead facilitator, who is a full-time member of the SMSU Education Department graduate faculty, and a co-facilitator, who is an adjunct, part-time faculty member, current K-12 practitioner, and optimally a graduate of SMSU’s Master of Science in Education program. This two-member faculty team guides

students through the curriculum and acts as academic advisors for the student cohort. The lead facilitator is the liaison between the learning community and the appropriate University services.

SMSU currently employs an Iowa resident as a part-time adjunct faculty member and co-facilitator for a Master of Science in Education program cohort located in North Sioux City, South Dakota. This individual has completed both doctoral and specialist programs in educational administration at the University of South Dakota. She was a licensed school administrator in Iowa until 2009, is a currently licensed educator in South Dakota, and is currently employed as a curriculum specialist and elementary school principal. It is the University's goal to utilize this initial provisional registration period to prepare this Iowa resident to assume the lead facilitator's role for its Iowa-based Master of Science in Education program, at which time the University tentatively plans to expand her position to full-time. Ultimately, the University's goal will be to employ an additional part-time, adjunct faculty member(s) who is an Iowa resident, current or former practicing teacher in Iowa and graduate of the University's Master of Science in Education program to fulfill the role of co-facilitator for Iowa students.

Registration Compliance

SMSU is accredited by the Higher Learning Commission (HLC). The HLC's SMSU Statement of Affiliation Status states that the University is eligible for the HLC's notification program for students who enroll in the sole program the University proposes to offer at Iowa locations (see "Program Offered in Iowa" below). Therefore, the HLC does not require SMSU to obtain the HLC's approval before initiating instruction in this program at any specific location in Iowa.

As required by Iowa Code Section 261B.4, SMSU disclosed its policy on refunding tuition charges for withdrawn students. The policy is disclosed in the University's academic catalog at Academic Bulletin at <http://www.smsu.edu/catalog/index.cfm?catalogYear=69&categoryId=393>. The school's specific tuition refund policy is not a criterion for registration.

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. SMSU maintains these policies and discloses them in a combination of locations as follows:
<http://www.smsu.edu/nca/policies/P-013%20Sexual%20Violence%20Policy.pdf>
<http://www.smsu.edu/nca/policies/G-012%20Alcohol%20Use%20Policy.pdf>
<http://www.smsu.edu/Administration/President/Student%20Handbook%202011%202012.pdf>
<http://www.smsu.edu/CampusLife/>
<http://www.smsu.edu/CampusLife/CounselingTestingServices/Index.cfm?Id=553>
<http://www.smsu.edu/CampusLife/PublicSafety/Index.cfm?Id=6512>
- 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. Current SMSU policies permit a student who is a deployed service member the option of requesting a full refund of tuition, although its policies do not extend to a student who is the service member's spouse. However, Minnesota State College and University system policies also permit the President of a system institution to waive amounts a withdrawn student owes to the University in extenuating circumstances. Thus, SMSU's registration application includes a letter signed by SMSU President Ronald Moore agreeing to adopt the policy stipulated by Iowa Code Section 261.9(1)(g) for Iowa residents who enroll in the University's Iowa-based program.

- In 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. With the exception of tuition charges for graduate education program learning community students, these disclosures are provided in the SMSU Academic Catalog at <http://www.smsu.edu/catalog/>. The University's catalog states that tuition charges for off-campus learning community courses vary and refers the reader to the Education Department for additional information. Therefore, SMSU will disclose all of the information required by Iowa Code Chapter 261.9 to Iowa residents who enroll in the University's Iowa-based program through a letter sent to the student prior to enrollment in each semester's courses. A template of the letter was provided as an attachment to the registration application.

SMSU maintains permanent student records in the electronic student record system located in the Registration and Records office. This office is under the direct supervision of the Registrar. SMSU complies with federal and Minnesota state law concerning the privacy and disclosure of student educational records. Detailed information for students about various types of student-related records SMSU maintains, for what periods, and responsible parties who control these records is disclosed in the SMSU Student Handbook at <http://www.smsu.edu/Administration/President/Student%20Handbook%202011%202012.pdf>

Any current or former student wishing to obtain a transcript may do so by contacting:

Pat Carmody, Registrar
Individualized Learning Center 148
1501 State St.,
Marshall, MN 56258
(507) 537-6206

<http://www.smsu.edu/CampusLife/RegistrationRecords/Index.cfm>

SMSU agrees to 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 believes 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. Staff requests that the Commission permit this limited disclosure under these conditions.

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

- SMSU submitted the report of an independent auditing firm, LarsonAllen LLP, dated October 25, 2011, for the institutional fiscal years ending June 30, 2011 and 2010. The auditing firm expressed its opinion that the University's financial statements present fairly, in all material respects, the school's financial position.
- SMSU discloses in its application how it provides remote students with access to learning resources. Once students are admitted to the graduate program, they are provided access codes for all university services, including library services. Library services are detailed on the University's Library web page at <http://www.smsu.edu/Library/>. The library provides a distance learning page <http://www.smsu.edu/Library/Index.cfm?Id=1177> with remote access information, interlibrary loan request procedures including video tutorials to assist the visual learner, and document delivery services for publications that are not available in full text from an SMSU library database (students are responsible for costs associated with returning documents to the library). An SMSU reference librarian is on duty at posted times, generally Monday through Friday and Sunday, to answer questions in person, via phone, e-mail or Meebo <http://www.smsu.edu/Library/index.cfm?id=5193>. Meebo is an online instant messaging program that facilitates real-time interaction with a reference librarian. At times when a reference librarian is not available, students are referred to AskMN, an instant-messaging reference service for information and research help that is available to students 24 hours per day, 7 days per week. SMSU provides several links on its library page to the resources of almost all of the libraries in Minnesota, and a reference service offering more than 70 databases in a variety of subjects and languages.

Information technology services are also available via web access at <http://www.smsu.edu/InformationTechnologyServices/>.

This site provides detailed information for establishing electronic communications with SMSU resources. If students need additional technical support, technicians are available to respond via e-mail or telephone during posted hours Monday – Friday. SMSU also provides writing assistance for learning community students through the on-campus writing center <http://www.smsu.edu/CampusLife/WritingCenter/>

- SMSU employs individuals who have degrees, special training, experience, or other accomplishments that qualify them for their assignments. A Minnesota Department of Education review of the University dated Fall 2010 confirms this assessment. SMSU Education Department Standards for Faculty Qualifications http://www.smsu.edu/Academics%5CDepartments/Education/FacQualPolicy-Revised%204_10.pdf require full members of the graduate faculty to possess an earned terminal degree, an earned teaching license, and a minimum of 3 years contemporary B-12 classroom teaching experience. Associate (including adjunct) members of the graduate faculty must possess an earned master's degree, an earned teaching license, and a minimum of 3 years of contemporary B-12 classroom teaching experience. Lead facilitators in the Master of Science in Education program that SMSU proposes to offer in Iowa must have full graduate faculty status.

- The University discloses its methodology for developing and evaluating curriculum. SMSU currently employs six full-time graduate faculty members who are responsible for the design, development, and evaluation of all curriculums in the Master of Science in Education program that the University proposes to offer in Iowa. In addition, SMSU also involves two distinct committees who provide approval, oversight, and guidance relating to curricular initiatives and changes in this program. The SMSU Graduate Council consists of faculty members who are representatives for all of the SMSU departments that offer graduate-level courses. This committee meets on a regular basis throughout the academic year. The second committee, which also meets regularly, is the Graduate Curriculum Committee, comprised of graduate faculty members from across campus. This committee's charge is to review and recommend graduate curricula and program changes.
- Physical facilities: The city location(s) for each learning community will be chosen every two years based on prospective student interest in a particular geographic location. Instructional sites are generally located in public facilities such as schools, community/technical colleges, state universities, or hotel conference centers, where parking is readily available on weekends and where accessibility issues related to the Americans with Disabilities Act are addressed by the facility in advance as required by law. Sites are located within reasonable driving distance of the registered students. Site facilities are selected based on the experience of previous learning communities. Feedback has shown that spaciousness is important for large group instruction/discussion and active learning. Multiple semi-private areas are necessary for break-out sessions, small group discussions, and individual conferences. Access to wireless Internet is also considered. After a facility is selected and established, contracts are signed with the site and regular contact is maintained with designated staff/administration from the facility to address issues such as heating, cooling, classroom access, parking, and safety.

The current "learning community" structure of the SMSU Master of Science in Education program as it has been offered previously in Minnesota and South Dakota maximizes the University's flexibility to provide instruction based on the interest of students without geographic limitation. Therefore, staff did not require SMSU to establish and document a specific, permanent physical facility in Iowa. However, SMSU must notify staff per Iowa Code Section 261B.5 within 90 days of the establishment of each instructional site in Iowa.

- SMSU's registration application includes a cover letter from President Ronald Wood confirming the University's commitment to delivering the Master of Science in Education program through the learning community format in Iowa. Given the broad number of program sites the University offers at any given time, the University would offer an alternative site in the event instruction in a specific Iowa site could not be completed.
- *Full-Time Iowa Resident Faculty Member or Program Coordinator.* At this time, SMSU does not comply with the requirement of administrative rule 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 for an initial, provisional registration period of 2 years to allow the University to develop a student population in Iowa that justifies a full-time Iowa resident faculty member and to continue to prepare an Iowa resident for that future role. See "Registration Purpose" and "Program Offered in Iowa" above for additional information.

SMSU's process for resolution of student and graduate comments and complaints are governed by SMSU policy and disclosed to students in the 2011-2012 Student Handbook

<http://www.smsu.edu/Administration/President/Student%20Handbook%202011%202012.pdf>. The Academic Dean's Office receives complaints about any aspect of academic or non-academic programs. The Graduate Academic Dean is Dr. Raphael Onyeaghala, SMSU, BA 269, 1501 State St., Marshall MN 56258; 508 537 7120; Raphael.onyeaghala@smsu.edu. The federal Department of Education reports that SMSU is currently certified to participate in the federal student aid programs and is not subject to a limitation, suspension, or termination of its eligibility.

Additional Information

SMSU provided the following additional information as required by the registration application. These data are provided for informational purposes only; at this time, they do not relate to registration criteria under Iowa Code or administrative rules.

- Federal Stafford Loan Cohort Default Rate (FFY 2009): 5.8%
 - FFY 2009 national average cohort default rate: 8.8%
- Graduation rate (percentage of first-time, full-time undergraduate students who graduated within 150% of the normal time for program completion as reported to the federal Department of Education): 43%

Please note, however, that the only program that the University proposes to offer in Iowa is the Master of Science in Education program. The graduation rate above does not apply to graduate students. SMSU discloses that it has thus far completed instruction in 82 Master of Science in Education program learning communities (i.e., student cohorts) totaling 2577 enrollees with a 98% graduation rate.

- Average loan debt of SMSU graduates for 2010 – \$18,909

Compliance with Iowa Code Chapter 714

Section 714.18 – Evidence of Financial Responsibility

SMSU is exempt from Iowa's financial responsibility requirements for instructional schools because it is authorized by the laws of the state of Minnesota to grant degrees.

Section 714.23 – State Tuition Refund Policy

The Iowa tuition refund policy does not apply to SMSU because it is a public institution.

IOWA COLLEGE STUDENT AID COMMISSION

St. Joseph's College of Maine Application for Postsecondary Registration in Iowa May 2012

RECOMMENDED ACTION:

Approve the application for postsecondary registration in Iowa for St. Joseph's College of Maine with a waiver of the full-time, Iowa-resident faculty member or program coordinator requirement of administrative rules.

As a condition of registration, per Iowa Code Section 261B.5, St. Joseph's College of Maine (SJCME) must notify Commission staff within 90 days of the date it establishes an Iowa location at which a distance education program student will participate in an internship, clinical, or other field experience.

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 some aspect of the school's distance education programs or its operations relative to distance education programs occurs at a location in Iowa. This could occur, for example, when a school's distance education program requires a student to complete, a clinical, practicum, or internship/externship that the student participates in at a location in Iowa, or when the school conducts recruiting activities for its distance education programs at a physical location in Iowa or employs instructors in its distance education programs that work for the school remotely from a physical location in Iowa.

SJCME requests registration in order to continue offering undergraduate and graduate degree programs in Iowa via distance education. Under the Commission's current policy regarding distance education providers, staff required the University to register for the following reasons:

- Select distance education programs that the College wishes to continue offering in Iowa which require field experience at an Iowa location.
- SJCME employs an Iowa resident who works remotely for the school as a part-time instructor in its online programs.

Institutional Information

SJCME is a private, non-profit institution whose only campus is located at 278 Whites Bridge Road, Standish, Maine. The chief executive officer of the school is President Kenneth M. Lemanski at the same address. SJCME has a valid Certificate of Authority issued by the Iowa Secretary of State in February, 2012. Its registered agent in Iowa is National Registered Agents, 604 Locust St., Suite 222, Des Moines IA 50309. The College is accredited by the New England

Association of Schools and Colleges, Commission on Institutions of Higher Education, a regional accrediting agency that is recognized by the U.S. Department of Education. SJCME's baccalaureate and graduate level nursing programs are accredited by the Commission on Collegiate Nursing Education, a programmatic accrediting agency that is recognized by the U.S. Department of Education.

Programs Offered In Iowa

SJCME applied for registration to continue offering Iowans the distance education programs listed below. Tuition charges per credit hour and other fee charges follow the program listing.

- Undergraduate Certificate Program in Adult Education and Training
- Undergraduate Certificate Program in Health Administration
- Undergraduate Certificate Program in Long-Term Care Administration
- Associate of Science in General Studies
- Associate of Science in Adult Education and Training
- Associate of Science in Business Administration
- Associate of Science in Criminal Justice
- Associate of Science in Human Services
- Associate of Science in Psychology
- Associate of Science in Radiologic Science Administration
- Bachelor of Science in General Studies: Business Administration Specialization
- Bachelor of Science in General Studies: Criminal Justice Specialization
- Bachelor of Science in General Studies: Human Services Specialization
- Bachelor of Science in General Studies: Psychology Specialization
- Bachelor of Science in General Studies: Adult Education and Training Specialization
- Bachelor of Science in Business Administration
- Bachelor of Science in Nursing (RN to BSN)
- Bachelor of Science in Health Administration
- Bachelor of Science in Long-Term Care Administration
- Bachelor of Science in Radiologic Science Administration
- Bachelor of Science in Business Administration: Accounting Specialization
- Bachelor of Science in Business Administration: Banking Specialization
- Bachelor of Science in Business Administration: Management Specialization
- Bachelor of Science in Business Administration: Sales and Marketing
- Bachelor of Arts in Theological Studies
- Master of Accountancy
- Master of Business Administration: Leadership
- Master of Science in Nursing
- Master of Science in Nursing & Leadership Master of Business Administration
- Master of Science in Nursing & Master of Health Administration
- Master of Science in Nursing: Family Nurse Practitioner Specialization
- Master of Science in Nursing: Nursing Administration Specialization
- Master of Science in Nursing: Nursing Educator Specialization
- Master of Health Administration
- Master of Health Administration: Catholic Health Leadership
- Master of Arts in Pastoral Theology

- Master of Science in Education: Adult Education and Training (non-licensure)
- Master of Science in Education: Health Care Educator (non-licensure)
- Post-Masters Certificate Advanced Graduate Study: Interdisciplinary
- Post-Masters Certificate Advanced Graduate Study: Family Nurse Practitioner
- Graduate Certificate: Catholic Health Leadership
- Graduate Certificate: Nursing & Health Care Education
- Graduate Certificate: Nursing Administration and Leadership

St. Joseph's College of Maine may seek a later, substantive amendment to its registration in Iowa to offer the following:

- Master of Science in Education: Catholic School Leadership
- Master of Science in Education: School Educator
- Master of Science in Education: School Leadership
- Master of Science in Education: Administrative Management
- Graduate Certificate: School Leadership
- Graduate Certificate: Catholic School Leadership

A student may enroll in any of the programs above to prepare for initial licensure as a teacher or school administrator. The College is awaiting approval consideration by the Iowa Board of Education for these practitioner preparation programs, as required by Iowa Code Section 261B.3A, subsection 2.

Tuition Charges

- Undergraduate: per credit hour, per program
 - Business \$285
 - General Studies \$285
 - Theological Studies \$285
 - Education \$285
 - Health Administration \$325
 - Nursing \$325
- Graduate: per credit hour, per program
 - Theology \$315
 - Education – Master of Science in Education \$350
 - Health – Master of Health Administration \$375
 - Nursing Master of Science in Nursing NU (what is NU?) courses \$425
 - Business \$475
 - Nursing Family Nurse Practitioner NP (what is NP) courses \$600

Active duty military personnel and their spouses are charged the following tuition rates:

- \$250 per credit hour for undergraduate courses
- 15% discount on the graduate tuition rate

<http://online.sjcme.edu/military-programs-benefits.php>

Fees

- Application \$25 for certificate programs or continuing education; \$50 for associate, bachelor's or master's degree programs (waived for active duty military personnel)
- Graduation fee \$50
- Distance Internship (per course enrollment) \$300
- Student Teaching \$600
- RN to BSN examination fees \$300
- SJC Health Assessment \$225

Field Experience

The Master of Science in Nursing program with the administration and education specialization requires two, 135-hour practicum courses. The Master of Science in Nursing with the family nurse practitioner specialization requires the student to complete three, 200-hour practicum courses in a clinical setting. In both programs, the SJCME Program Director approves the practicum setting and the preceptor (i.e., the student's direct supervisor at the practicum site). The College develops a contract with the preceptor. In both programs, the student is supervised by SJCME faculty and the approved preceptor. In the family nurse practitioner specialization, the student is also indirectly supervised by an SCJME Clinical Coordinator.

Registration Compliance

As required by Iowa Code Section 261B.4, SJCME disclosed its policy on refunding tuition charges for withdrawn students. The policy is disclosed on the College's web site at <http://catalog.sjcme.acalog.com/content.php?catoid=18&navoid=449>. The school's specific tuition refund policy is not a criterion for registration.

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. SJCME provides these disclosures to students in its Student Handbook http://www.sjcme.edu/files/sjcme_files/docs/studenthandbk.pdf and in its Annual Security Report at <http://www.sjcme.edu/files/file-elements/humanresources/2010%20Annual%20Report%20of%20Safety%20and%20Security.pdf>
- 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. During the application review process, SJCME modified its existing military deployment policy to include spouses of deployed service members with a dependent child, per Iowa

law. SJCME provided staff with a sample of a compliant letter detailing the policy that it will disseminate to every online program enrollee who is an Iowa resident.

In 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 and are disclosed to students in the College's online programs catalog <http://catalog.sjcme.acalog.com/index.php?catoid=19>

SJCME discloses in its application its arrangement for preserving students records. SJCME has executed a written agreement with the Roman Catholic Bishop of Portland (Maine) to hold student records in the event of institutional closure for a period of at least 50 years.

A student or graduate must submit a written request for a transcript directly to the Office of Academic Records at the address below, including the following information: full name at the time of attendance; dates of attendance, social security number; current mailing address; and address of the recipient. The student must signed and date the written transcript request. SJCME charges \$5 per transcript. Transcripts are provided only to students or alumni who do not owe outstanding debts to the school.

Office of Academic Records
Saint Joseph's College
278 Whites Bridge Road
Standish, ME 04084

SJCME 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 believes 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. Staff requests that the Commission permit this limited disclosure under these conditions. This limited disclosure will be required effective July 1, 2012, per revised Iowa Code Chapter 261B.7 as enacted by approved Iowa Senate File 2267.

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

- The College submitted the report of an independent auditing firm, Mayer Hoffman McCann, P.C., dated October 24, 2011, for the institutional fiscal years ending June 30, 2011. The auditing firm expressed its opinion that the University's financial statements present fairly, in all material respects, the school's financial position.

A private non-profit 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 without additional oversight. Staff did not find that the independent auditing firm reported or tested the College's composite score. The most recent composite score available from the federal Department of Education for the SJCME is for institutional fiscal year that ended on June 30, 2010; the College's composite score was 2.9.

- SJCME provides online students with access to learning resources through its Wellehan Library. Online students may contact the library by e-mail; by phone, toll free, 7 days/81 hours per week; by text Sunday – Thursday 5 pm to 9 pm; and via chat on the library home page Sunday – Thursday 5 pm to 9 pm. Online students may access the library's research databases and other online resources from off campus 24 hours per day, 7 days per week. The library provides an interface with other libraries through an online catalog, "Minerva," which includes online tutorials to assist students in locating materials. A free interlibrary loan service is available to online students. The Wellehan Library also provides online students with access to "MaineCat, a statewide library and database system. Online students access electronic materials selected by faculty as required or recommended reading through the school's online classroom vehicle, the Angel Learning Management System.
- It appears that the College employs individuals who have degrees, special training, experience, or other accomplishments that qualify them for their assignments, based on staff review of a faculty/educational credential listing in the SJCME catalog and distance learning adjunct job postings. Of the 138 online program faculty disclosed in its catalog, all possess at least a master's degree. Approximately 65 of the online program faculty have an earned doctorate.
- Oversight for all academic endeavors at SJCME is shared by the Vice President of Academic Affairs, the Dean of Graduate and Professional Studies, department chairs, program directors, and the Faculty Senate. The Educational Policy Committee for the graduate and undergraduate online programs are charged with making recommendations to the Faculty Senate that pertain to changes in existing programs, the addition of new courses, credit hours, and changes in course requirements. Standards for curriculum development, academic standards and faculty development are detailed at length in the registration application posted on the Commission's website and outlined on page 38 of the SJCME Faculty Handbook http://www.sjcme.edu/files/sjcme_files/docs/FacultyHandbook-2.pdf
- SJCME provided a statement from its President and CEO, Kenneth W. Lemanski, stating that the institution has over 30 years' experience delivering quality distance education programs and that SJCME's Division of Graduate and Professional Studies strives to maintain and strengthen its position as a leader in distance education. In the event that the institution would close, it is committed to fulfilling its mission by ensuring that all students would be served for their enrolled course of study.
- *Full-Time Iowa Resident Faculty Member or Program Coordinator.* At this time, SJCME does not comply with the requirement of administrative rule 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 recommends that the Commission waive the full-time Iowa resident faculty member requirement, since the College seeks approval to

provide postsecondary educational programs via distance education in Iowa. SJCME employs one Iowa resident as a part-time faculty member in its online Health Administration program: Valerie Connor, vconnor@sjcme.edu. Ms. Connor has a master's degree in speech pathology and is pursuing a doctorate.

SJCME disclosed its process for addressing student complaints. A student may choose to present his/her grievance to the person(s) alleged to have caused the grievance within 10 working days from the original incident. The College makes exceptions to this timeframe on a case-by-case basis. If the student is dissatisfied with the response, he/she may seek counsel from the Graduate and Professional Studies Program Director in which the course resides. If the student remains dissatisfied, he/she may present the grievance in writing to the Dean of Graduate and Professional Studies within 10 working days of the incident or of the initial response. The Dean will conduct a review of the student's written statement and may appoint a member of the college community to review the situation in greater detail. The student will receive a response within 10 working days, unless the Dean informs the student of a delay and the expected response date. A grievance against the Dean should be submitted to the Executive Vice President of the College. Students are encouraged to resolve course grade issues with the instructor. If no satisfactory resolution is reached, the student may submit a Student Request for Review of Grade to the appropriate Program Director within 30 days after the date the grade is recorded. If no satisfactory resolution is reached with the Program Director, the student may submit a request for review within 15 days of the Program Director's decision to the Dean of Graduate and Professional Studies. For nursing students, this review process also includes the Vice President for Academic Affairs.

Additional Information

SJCME disclosed the following additional information as required by the registration application. These data are provided for informational purposes only; they do not relate to registration criteria under Iowa Code or administrative rules at this time.

- Federal Stafford Loan Cohort Default Rate (FFY 2009): 1.6%
 - FFY 2009 national average cohort default rate: 8.8%
- Graduation rate (percentage of first-time, full-time undergraduate students who graduated within 150% of the normal time for program completion as reported to the federal Department of Education): 55%
- Average loan debt of SJCME FY 2009-2010 graduates: \$38,108 for undergraduate degree graduates; \$22,723 for graduate students

Compliance with Iowa Code Chapter 714

Section 714.18 – Evidence of Financial Responsibility

As an addendum to its registration application, SJCME filed sufficient evidence of financial responsibility, including a bond payable to the State of Iowa in the amount of \$50,000 and issued by Berkley Regional Insurance Company.

Section 714.23 – State Tuition Refund Policy

SJCME is exempt from Iowa Code Section 714.23 because it is a private non-profit institution.

IOWA COLLEGE STUDENT AID COMMISSION

Capella University Application for Postsecondary Registration in Iowa May 2012

RECOMMENDED ACTION:

Approve Capella University's application for postsecondary registration in Iowa.

As a condition of registration, Capella University must:

- Notify staff per Iowa Code Section 261B.5 within 90 days of the University's approval of an Iowa location at which an online degree candidate will fulfill a practicum, clinical, internship, or residency (colloquium) requirement.
- Implement to staff's satisfaction disclosure language required by the Iowa Board of Education to clarify the outcome of its practitioner preparation (i.e., education licensure) programs for Iowa residents
- Develop and implement to staff's satisfaction disclosure language clarifying that an Iowa-resident graduate of Capella's program who applies to the Iowa Board of Behavioral Sciences for an Iowa marriage and family therapist license must submit to an educational credential evaluation at the student's expense.

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 some aspect of the school's distance education programs or its operations relative to distance education programs occurs at a physical location in Iowa. This could occur when a school's distance education 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 recruiting activities for its distance education programs at a physical location in Iowa or employs instructors in its distance education programs that work for the school remotely from a physical location in Iowa).

Capella University seeks to provide baccalaureate, master's, and doctoral level degree programs in Iowa via distance education. Under the Commission's current policy for distance education providers, the University must register for the following reasons:

- Select distance education programs that Capella University desires to offer in Iowa require a practicum, internship, clinical, or other field experience that a student will participate in at a physical location in Iowa.
- Capella University employs full- and part-time faculty in its distance education programs who work for the school from their homes or other locations in Iowa.

Institutional Information

Capella University is a for-profit institution that provides postsecondary education programs purely through distance education. Its administrative offices are located at Capella Tower, 225 South Sixth St., 9th floor, Minneapolis, MN. The University's chief executive officer is President Scott Kinney, at the same address. Capella University is wholly owned by Capella Education Company, a for-profit corporation traded on the NSDAQ Stock Exchange under the symbol CPLA. The University is registered with the Iowa Secretary of State; its registered agent is CT Corporation System, 500 East Court Ave., Des Moines, Iowa.

Capella University is accredited by the Higher Learning Commission (HLC), a regional accrediting agency recognized by the U.S. Department of Education. Certain University programs are also accredited by the following programmatic accrediting agencies that are recognized by the U.S. Department of Education:

- The Commission on Collegiate Nursing Education (CCNE), for its baccalaureate and graduate level nursing programs
- The National Council for Accreditation of Teacher Education (NCATE), for its baccalaureate and graduate level programs for the preparation of teachers and other professional personnel for elementary and secondary schools

Programs Offered In Iowa

Capella University seeks to offer Iowans the following programs via distance education. Total costs of tuition are provided for each program.

- Doctoral programs
 - ✓ Doctor of Philosophy in Business - \$60,860
 - ✓ Doctor of Philosophy in Organization and Management - \$69,830
 - ✓ Doctor of Philosophy in Information Technology - \$69,830
 - ✓ Doctor of Business Administration - \$51,945
 - ✓ Doctor of Education* - \$39,219
 - ✓ Doctor of Philosophy in Education (non-licensure) - \$61,058
 - ✓ Doctor of Philosophy in Human Services - \$70,028
 - ✓ Doctor of Philosophy in Public Safety - \$70,028
 - ✓ Doctor of Health Administration - \$53,070
 - ✓ Doctor of Nursing Practice - \$41,570
 - ✓ Doctor of Public Administration - \$55,935
 - ✓ Doctor of Public Health - \$57,850
 - ✓ Doctor of Philosophy in Advanced Studies in Human Behavior - \$66,962
 - ✓ Doctor of Philosophy in Counselor Education and Supervision - \$74,513
 - ✓ Doctor of Social Work - \$55,935 (non-licensure)
- Post-Master's Certificate programs
 - ✓ Education Specialist* - \$25,490
 - ✓ Specialist in School Psychology*† - \$25,485
 - ✓ Certificate in College Teaching – \$25,490
 - ✓ Certificate in Enrollment Management – \$25,490

- Master's programs
 - ✓ Master of Science in Human Resource Management - \$27,435
 - ✓ Master of Science in Leadership - \$27,435
 - ✓ Master of Science in Information Technology - \$27,435
 - ✓ Master of Business Administration - \$31,549
 - ✓ Master of Science in Education* - \$19,755
 - ✓ Master of Science in Homeland Security - \$22,930
 - ✓ Master of Science in Human Services - \$21,195
 - ✓ Master of Science in Public Safety - \$21,195
 - ✓ Master of Science in Nursing - \$19,955 - \$29,895
 - ✓ Master of Health Administration - \$25,455
 - ✓ Master of Nonprofit Management and Leadership - \$24,563
 - ✓ Master of Public Administration - \$21,387
 - ✓ Master of Public Health - \$25,455
 - ✓ Master of Public Administration and Master of Science in Public Safety - \$32,193
 - ✓ Master of Science in Addiction Counseling \$43,545 (non-licensure; Iowa does not license substance abuse counselors)
 - ✓ Master of Science in Career Counseling - \$33,521 (non-licensure; Iowa does not license career counselors)
 - ✓ Master of Science in Mental Health Counseling - \$43,545. This is a licensure program accredited by the Council on Accreditation of Counselor and Related Educational Programs. This accreditation meets programmatic standards for an Iowa mental health counselor licensure applicant per Iowa administrative rule 645-31.6(1).
 - ✓ Master of Science in Studies in Human Behavior - \$21,698
 - ✓ Master of Science in Psychology[†] - (non-licensure) \$26,465. The University prominently discloses that as a stand-alone program, the program does not qualify a student for licensure as either a clinical psychologist or school psychologist.
 - ✓ Master of Science in Marriage and Family Counseling/Therapy - \$43,545. This is a licensure program. Iowa administrative rule 645—31.4 provides two options for an Iowa marriage and family therapy licensure candidate to meet educational requirements: (1) graduation from a program approved by the Commission on Accreditation for Marriage and Family Therapy Education (COAMFTE) or 2) for a non-COAMFTE-accredited program, an independent educational credential equivalency evaluation at the student's expense. The University's program is not accredited by the COAMFTE. The Iowa Board of Behavioral Sciences reports that a recent Capella graduate passed an educational credential equivalency evaluation without any additional work required on the student's part. As a condition of registration, Capella University will disclose that its program is not COAMFTE accredited and that the graduate will therefore be required as part of the Iowa licensure conditions to submit to an educational credential evaluation at his/her expense. Capella has also developed a coursework alignment tool to assist Iowans in meeting Iowa administrative rule requirements for program content.
 - ✓ Master of Science in School Counseling* (licensure program) – \$34,745. The Iowa Board of Educational Examiners' programmatic criteria for a school counseling licensure candidate who attended an out-of-state school [Iowa administrative rule 282—27.3(1) and (2)] are too voluminous and complex for staff to determine whether the Capella University program meets the criteria. The Iowa Board of Educational

Examiners (BOEE) does not pre-approve out-of-state programs and evaluates each licensure candidate's programmatic qualifications on a case-by-case basis. However, Capella provided the name of a school counselor program graduate who met the BOEE's educational qualifications for full Iowa licensure and staff verified that through the BOEE.

- Baccalaureate programs
 - ✓ Bachelor of Science in Business - \$58,800
 - ✓ Bachelor of Science in Information Technology - \$58,800
 - ✓ Bachelor of Science in Psychology - \$58,800
 - ✓ Bachelor of Science in Public Safety - \$58,800
 - ✓ Bachelor of Science in Nursing (RN to BSN) - \$58,800

* Any program footnoted with an asterisk is a teacher, school administrator, school counselor, or school psychologist preparation program that was approved by the Iowa Board of Education. That approval makes the program eligible for consideration under a school's registration, per Iowa Code Section 261B.3A, subsection 2. As a condition of approval by the Iowa Board of Education, the University will provide disclosures clarifying that 1) the program does not lead to initial licensure in Iowa; 2) the student must first be licensed in the state in which the school is located; 3) the school will assist the student in contacting the appropriate out-of-state licensing board and understanding the out-of-state board's licensure requirements.

†Capella University's post-master's Specialist certificate in School Psychology, *in combination with* its Master of Science in Psychology program is approved by the National Association of School Psychologists, and therefore meets the Iowa Board of Educational Examiners' program requirements <http://www.boee.iowa.gov/SupportServEndReq.html#Psychologist> for a school psychologist licensure candidate. Iowa Code Chapter 154B.3 states that a person who is a licensed school psychologist is not required to be licensed concurrently by the Iowa Board of Psychology.

Staff note that Capella University maintains a web site devoted to disclosures about state-based employment licensure implications for Capella students who enroll in its education and behavioral science programs: <http://www.capella.edu/licensure/index.asp> (a link displayed with some prominence on the school's home page) and http://www.capella.edu/licensure_ed/index.asp. One or both of these links are included in the text of the University's catalog in the discussion of education and behavioral science programs and curricula. Capella University requires students enrolled in certain non-licensure education programs to complete a Teaching License Information Form that requests disclosure of the student's existing teaching credentials. This form explicitly states that the program(s) will not lead to an initial teaching license or endorsement through any state.

None of the nursing programs that the University will offer via distance education in Iowa require the approval of the Iowa Board of Nursing.

Field Experiences

Field experiences that, for an Iowan, may occur at a physical location in Iowa, are a required or elective program component for the following Capella University programs. In each case, the field experience is structured and supervised by an on-site preceptor.

- Doctor of Nursing Practice
- Master of Science in Nursing
- EdD, PhD, and EdS in Education
- MS in Education
- PhD in Counselor Education and Supervision
- Master of Science in Addiction Counseling
- Master of Science in Career Counseling
- Master of Science in Mental Health Counseling
- MS in Clinical Psychology
- MS in Human Services
- Specialist Certificate in School Psychology
- Doctor of Social Work

Capella University provided for staff review web-based student handbooks that detail the requirements for practicum/internship sites, site supervisors, and expectations for students in each program practicum/internship.

The following programs require what the University calls a residency or colloquium. This is a required, onsite learning experience led by University faculty in primarily hotels at major U.S cities across the country. Locations are selected for reasons include statewide regulatory guidelines, travel convenience, and cost. Residencies may include formal instruction and practice, participation in small and large academic sessions, clinical skills labs, panel discussions, and individual advising sessions with faculty.

- Doctor of Philosophy (PhD)
- Doctor of Business Administration (DBA)
- Doctor of Business Management
- Doctor of Nursing Practice (DNP)
- Doctor of Psychology (PsyD)
- Education Specialist (EdS)
- Master of Science (MS) in Addiction Counseling, Career Counseling, Mental Health Counseling
- Master of Science (MS) in Psychology, Clinical Psychology and Counseling Psychology
- Master of Science (MS) in Psychology, School Psychology, and Specialist Certificate in School Psychology
- Post Master's Certificate (PMC) in Enrollment Management

Program Restrictions

On and after the date of registration Capella University may not enroll an lowan in the Doctor of Psychology program, which prepares a student for licensure as a clinical psychologist. Capella University may request to amend its registration to include this program upon its approval by the American Psychological Association as required by Iowa administrative rule 645—240.3(3).

Registration Compliance

As required by Iowa Code Section 261B.4, Capella disclosed its policy on refunding tuition charges for withdrawn students by providing a proposed amendment to its student catalog. The school's specific tuition refund policy is not a criterion for registration at this time. However, certain for-profit institutions must meet the conditions of Iowa Code Section 714.23, which ensure a minimum tuition refund to a withdrawn student. During the registration review process, Capella University adjusted an existing policy to meet the conditions of the Iowa tuition refund policy. 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. Capella University maintains these policies and discloses them in its Campus Crime Report http://www.capella.edu/inc/pdf/campus_crime.pdf
- 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. Capella University maintains a military leave of absence policy that permits a deployed servicemember, or the servicemember's spouse, to withdraw due to deployment and request a full refund. During the application review process, the University clarified in writing that its policy includes a full refund of mandatory fees as well as tuition, as required by Iowa law. Capella also clarified that its policy applies to activation for state as well as federal duty, and to activated members (and the spouse of an activated member) of the U.S. military reserves and National Guard.

On its registration application, Capella 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, and are provided in the University Catalog

http://www.capella.edu/inc/pdf/catalogs/catalog.pdf?linkID=22991&WT.mc_id=22991&Refr=http://search2.capella.edu/footer/legal.aspx

The application requests information from the school about its procedures for the permanent preservation of student records. The University provided its catalog disclosures http://www.capella.edu/inc/pdf/catalogs/catalog.pdf?linkID=22991&WT.mc_id=22991&Refr=http://www.capella.edu/ concerning the security of non-directory information under the Family Educational Rights and Privacy Act and its procedures for faculty and students relating to the retention of student work products and grading records.

Students and graduates who seek transcript information should contact:

Rachael Strandquist, Supervisor of Learner Services Operations
225 South Sixth St., 9th Floor
Minneapolis, MN 55402
(612) 977-5207

Capella University 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. Staff request that the Commission permit this limited disclosure under these conditions. This limited disclosure will be required effective July 1, 2012, per revised Iowa Code Chapter 261B.7 as enacted by approved Iowa Senate File 2267.

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

- The University submitted the report of an independent auditing firm, Ernst and Young, LLP, dated June 9, 2011, for the institutional fiscal year that ended December 31, 2010. The auditing firm expressed its opinion that the institution's financial statements presented fairly, in all material respects, the school's financial position for the institutional fiscal years 2009 and 2010.
 - 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" without additional oversight. Staff did not find that the independent auditor tested or reported the University's composite score. The U.S. Department of Education's most recently reported composite score is for the University's fiscal year that ended December 31, 2009; its composite score was 3.0.
 - 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. Capella University reports that it derived 78.2% of its revenue from Title IV funds for the fiscal year ending December 31, 2010. Ernst and Young reports that the school's calculation of its 90/10 revenue test was subjected to the auditing procedures applied in the

audit of the basic financial statements, and, in the auditing firm's opinion, is fairly stated.

- Capella provides a full range of academic library resources and services in an online environment. The Capella University Library website, accessible on the student web portal, iGuide, provides access to thousands of full-text articles, citations, abstracts, technical reports, and electronic books (e-books). Students may also request books, copies of articles, and other resources from university libraries nationwide. Capella reference librarians are available to assist students with research questions, help students use library databases effectively, and teach students to successfully navigate the library website. Students may contact a reference librarian by calling 1.888.375.8221 or emailing Librarian@capella.edu. A New Learner Experience team provides support to new students in adjusting to the Capella learning community and their degree programs through the University Orientation Seminar. Students may contact the New Learner Experience team by calling Learner Support at 1.888.CAPELLA (227.3552) or by visiting iGuide. To help students improve their academic success, Capella offers a variety of resources including free online tutoring services through SMARTTHINKING, lessons to improve computer and math skills, motivation and stress management techniques, program planning tools, time management and study skills, exercises to enhance reading comprehension and critical thinking, and an undergraduate and graduate online writing center.
- It appears that Capella University employs individuals who have degrees, special training, experience, or other accomplishments that qualify them for their assignments. Staff reviewed a sample of 180 faculty from a listing of 1666. All 180 faculty in the sampling possessed at least a master's degree and 165 of the 180 faculty had doctoral level degrees. The University also discloses the subject matter expertise of key faculty from several academic departments on their website http://www.capella.edu/community_people/staff_bios.aspx and provides a more detailed faculty listing for each educational department in their catalog http://www.capella.edu/inc/pdf/catalogs/catalog.pdf?linkID=22991&WT.mc_id=22991&Refr=http://search.aol.com/aol/search?s_it=hp-port&q=capella+university+catalog
- The University discloses on the application its methodology for developing and evaluating curriculum. Across its five schools, Capella University has implemented the following processes to provide ongoing evaluation of existing programs and specializations:
 - Consultation with external advisory committees
 - Involvement of constituents external to the university who have relevant expertise and are interested in well-educated graduates, for example, information technology companies, outside accreditors, the National Center for Healthcare Leadership, and state education agencies.
 - Curriculum creation and revision facilitated by the curriculum and course development department based on comprehensive data that assesses learning outcomes achievement, learner satisfaction, and business effectiveness.
 - Evaluation of outcomes and competencies by Capella's curriculum committees comprised of a school dean, faculty chairs and faculty, directors of academic quality, curriculum, specialists, assessment specialists and support staff.

- Regular evaluation of academic offerings through the Academic Program Review, a formal self-study geared toward learning achievement, curriculum, currency and innovation, and accreditation, licensure, and certification requirements.
 - Evaluation of instruction through faculty courseroom performance monitoring and end-of-course evaluations.
 - Evaluation of curricula effectiveness by a cross-functional group of faculty, staff, and business leaders focusing on the University’s assessment system, data collection, analysis, and evaluation practices, and the use of data for program improvement.
- Capella University provided a signed statement executed by the school’s chief executive officer and President, Scott Kinney, certifying the University’s commitment to the delivery of educational programs offered to learners located in the state of Iowa. If the University discontinues an offering before enrolled learners have completed their study, Capella’s practice is to teach out currently enrolled learners. If for any reason Capella would not be able to teach out Iowa learners in a particular program, Capella agrees to provide alternatives for those learners to complete programs at other institutions.
 - Capella University discloses that it employs 13 Iowa residents who work remotely from an Iowa location as instructors in the University’s online programs. One of these faculty members is full time:
 - ✓ Barry Trunk, full time
 - ✓ Lois Bartelme, part time
 - ✓ Janet Lessner, part time
 - ✓ Donna Hauger, part time
 - ✓ Eva Schoen, part time
 - ✓ Craig Allen, part time
 - ✓ David Klein, part time
 - ✓ Pete Conis, part time
 - ✓ Brenda Harms, part time
 - ✓ Malik Henfield, part time
 - ✓ Matthew DeLisi, part time
 - ✓ Shelly Leialoha-Hartstack, part time
 - ✓ Brenda Lohman, part time
 - Capella discloses in its catalog its process for addressing student complaints and grievances. Learners who have complaints that have not otherwise been resolved through contact with Academic Advising, Enrollment Services, Financial Aid, University Operations Support, or Technical Support may submit their request to LearnerSupport@capella.edu. Learners with grievances about matters unrelated to other learners or grades/academic work may pursue a formula resolution process through the Learner Appeals and Resolutions department. A learner’s written grievance is initially reviewed by a Grievance Review Panel. If the learner is dissatisfied with the result from this initial review, he/she must appeal to the provost designee. The decision of the provost designee is final. Records of the final decision and all related materials are part

of the learner's official academic record and will be made available upon request to any appropriate regulatory body.

- The federal Department of Education reports that Capella University is not subject to a limitation, suspension, or termination of its eligibility to participate in the federal student aid programs. The University is under provisional certification to participate in the federal student aid programs until March 31, 2014. Reasons for the provisional certification include an open Office of the Inspector General audit report dated March 2008. See below for additional information.

Additional Information

Capella University disclosed the following additional information as required by the registration application. These data are provided for informational purposes only; they do not relate to registration criteria under Iowa Code or administrative rules at this time.

- Federal Stafford Loan Cohort Default Rate (FFY 2008): 6.6%
 - FFY 2008 national average cohort default rate: 8.8%
- Graduation rate (percentage of first-time, full-time undergraduate students who graduated within 150% of the normal time for program completion): Capella University did not begin granting four-year degrees until 2004; the school's fall 2005 cohort was the first quarter in which a student was enrolled. Therefore, since the currently reported graduation rate is based on the 2004 cohort, Capella University has no data to report to the federal Department of Education.

However, the University calculates a completion rate. As of February 14, 2012, its completion rate for all of its programs is 49.3%.

- Average student loan debt of Capella University graduates between July 2010 and June 2011 is \$25,596.

Federal Department of Education Office of the Inspector General Audit Report

The federal Department of Education's Office of the Inspector General (OIG) released a report in March of 2008 relating to an audit it conducted of Capella University's federal student aid program administration. The report alleges four areas of noncompliance with the federal Department of Education's student aid regulations:

1. The University did not return all funds disbursed on behalf of students who dropped before the first day of class in a payment period.
2. The University disbursed federal student aid funds to students who were not enrolled at the time of disbursement.
3. The University did not maintain documentation to substantiate loan exit counseling for two students; the University performed exit counseling 11 to 18 months after 3 other students ceased attendance.
4. The University disbursed FFEL Program funds to one student enrolled in an unapproved program.

The OIG's office recommended to federal Department of Education's office of Federal Student Aid (FSA) that it consider requiring the University to:

- Review its files and return the improperly retained federal student aid
- Revise its policies for exit counseling and delivery/return of federal student aid funds
- Identify any other incorrect calculations for withdrawals after the 2004-2005 award, recalculate and return those amounts.

In addition, the OIG's office recommended that FSA consider fine proceedings against the University relating to finding #1 above.

Iowa administrative rules do not permit the Commission to approve the registration of a school that is subject to a limitation, suspension, or termination order issued by the federal Department of Education. These potential consequences are not part of the OIG's recommendations.

It should be noted that the *OIG's recommendations are not final*; they are subject to review and a final determination by the FSA regarding any corrective action. Staff confirmed with the Chicago regional office of the federal Department of Education that, as of this writing, FSA has not released a final, public report of corrective action in response to the OIG's findings.

The OIG final audit report is public record and available for review on the OIG web site at <http://www2.ed.gov/about/offices/list/oig/auditreports/fy2008/a05q0017.pdf>

Compliance with Iowa Code Chapter 714

Section 714.18 – Evidence of Financial Responsibility

As a part of its registration application, Capella University 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 Hartford Fire Insurance Company, 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. During the application review process, Capella University modified its existing tuition refund policy for Iowa residents enrolled in its distance education programs to remove an administrative fee. Staff believe that the University's policy provides a tuition refund to a withdrawn student that is more beneficial to the student than the minimum requirements of Iowa code. The University will implement the policy immediately upon registration approval and disclose it to students in the University's catalog.

IOWA COLLEGE STUDENT AID COMMISSION

Mercy-St. Luke's School of Radiologic Technology
(also known as *Mercy-St. Luke's Hospital and*
***Saint Luke's Methodist Hospital School of Radiologic Technology*)**
Voluntary Application for Postsecondary Registration in Iowa
May 2012

RECOMMENDED ACTION:

Approve the voluntary application for postsecondary registration in Iowa for Mercy-St. Luke's School of Radiologic Technology.

Registration Purpose

Mercy-St. Luke's School of Radiologic Technology ("Mercy-St. Luke's") is currently eligible for an exemption from registration in Iowa under Iowa Code Section 261B.11, subsection 11, for postsecondary educational institutions offering programs limited to nondegree specialty vocational training programs). The school voluntarily requests registration in Iowa in order to comply with federal regulations in 34 CFR 600.9, which requires a school located in a State to be authorized through an action of that State as a condition of participation in the federal student aid programs.

Institutional Information

Mercy-St. Luke's is a non-profit school located at the site of St. Luke's Hospital, 1026 A Avenue NE, Cedar Rapids, Iowa. The school also offers instruction at the location of Mercy Medical Center, 701 10th St. SE, Cedar Rapids, Iowa. Mercy-St. Luke's is owned by St. Luke's Hospital, an affiliate of Iowa Health System. Mercy Hospital is also a financial contributor to the school. The school's governing committee includes a Medical Director (a Doctor of Osteopathy) and representatives of both hospitals, including the directors of imaging services/radiology at Mercy Medical Center and St. Luke's Hospital and a Vice-President from each hospital. Mercy-St. Luke's is technically a subsidiary of St. Luke's Hospital, who is a member of the Iowa Health System. Therefore, the school is independently audited for financial and federal student aid compliance purposes as part of the Iowa Health System. The school calls itself "Mercy-St. Luke's School of Radiologic Technology," however, federal Department of Education and accrediting agency records also identify the school as "St. Luke's Methodist Hospital School of Radiologic Technology" and "Mercy-St. Luke's Hospital(s)."

The chief executive officer and Program Director of the school is Dana D. Schmitz, M.Ed., R.T.(R), 1026 A Avenue NE, Cedar Rapids, Iowa. The school's Iowa contact is Ted Townsend, 1026 A Avenue NE, Cedar Rapids, IA 52402, (319) 369-7203. Since the school is a subdivision of an Iowa hospital, it is not registered with the Iowa Secretary of State as a separate entity transacting business in Iowa.

Program Offered In Iowa

Mercy-St. Luke's offers a single, two-year certificate program in medical radiography. Tuition costs of the program total \$6600.00. The school reports that there are no fees. Book and supply costs of the program are approximately \$1500 for the two-year program.

Graduates of the program are eligible for the radiography examination administered by the American Registry of Radiology Technologists (ARRT). Radiographers are licensed by the Iowa Department of Public Health Bureau of Radiological Health. In order to qualify for an Iowa license, a student must have completed a program approved by the Joint Review Committee on Education in Radiology Technology (JRCERT) or the Iowa Department of Public Health, and a student must pass the radiography examination administered by the ARRT. Mercy-St. Luke's program meets these criteria by virtue of its JRCERT accreditation and its focused preparation of students for the ARRT examination.

Students who complete the Mercy-St. Luke's program may also earn an Associate of Applied Science degree in Career Studies—Health awarded by Kirkwood Community College through an articulation agreement between the two schools.

Registration Compliance

Mercy-St. Luke's sole program in medical radiology is accredited by the JRCERT (see above under "Program Offered in Iowa"). JRCERT is an accrediting body recognized by the U.S. Department of Education for approval of radiologic technology programs.

As required by Iowa Code Section 261B.4, Mercy-St. Luke's disclosed its policy on refunding tuition charges for withdrawn students. The policy is disclosed in the school's Student Handbook <http://www.stlukescr.org/our-services/all-other-services/imaging-services/school-of-radiologic-technology/>. The school's specific tuition refund policy is not a criterion for registration.

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. Mercy-St. Luke's maintains these policies and discloses them in their Campus Crimes and Security Policies and Procedures Manual at <http://www.mercycare.org/pdf/School-of-Radiologic-Technology-Campus-Crimes-Safety-12-13.pdf>
- 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. Mercy-St. Luke's developed a policy to comply with this administrative rule requirement and provided the compliant policy as an attachment to its registration application. Iowa Code requires the policy to be applied both to refunds of tuition and mandatory fees. However, Mercy-St. Luke's states that it does not charge students fees and therefore its policy only addresses refunds of tuition charges. The school currently discloses the policy to students in its Student Handbook <http://www.stlukescr.org/our-services/all-other-services/imaging-services/school-of-radiologic-technology/>

- In its registration application, Mercy-St. Luke's 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. Mercy-St. Luke's prospective students receive this information during a required Program Conference. Information shared at this conference is also available on the school's website at www.isrt.org/ResourceCenter/mstl.aspx and in its Student Handbook <http://www.stlukescr.org/our-services/all-other-services/imaging-services/school-of-radiologic-technology/>

Mercy-St. Luke's maintains the following student records permanently: financial aid records, grade transcripts, competency attainment records, health records from the time of admission, radiation dosimetry reports, disciplinary action reports, and application files for accepted students. All of these records are maintained in hard-copy format in the office of the Program Director. This area is locked at all times when no one is present in the office. In addition, radiation dosimetry reports, grade transcripts, financial aid records, and competency documentation records are maintained in electronic format on a network drive which is routinely backed up to an off-site location for safety.

Any current or former student wishing to obtain a transcript may do so by contacting:

Dana Schmitz, Program Director
1026 A Avenue NE
Cedar Rapids, IA 52402
(319) 369 7097

Mercy-St. Luke's agrees to 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 believes 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. Staff requests that the Commission permit this limited disclosure under these conditions. Also please note that this limited disclosure will be required effective July 1, 2012 per revised Iowa Code Chapter 261B.7.

Mercy-St. Luke's complied with the following additional administrative rule requirements for a registration applicant:

- Mercy-St. Luke's submitted an audit report dated April 12, 2011, for its parent entity, Iowa Health System and Subsidiaries, conducted by an independent auditing firm BKD, LLP, covering the fiscal year ending on December 31, 2010. The audit report specifically identifies Mercy-St. Luke's as a subsidiary of the Iowa Health System. The auditing firm expressed its opinion that the system's financial statements present fairly, in all material respects, its financial position.

A private non-profit 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 without additional oversight. While the independent firm that audited Iowa Health System and Subsidiaries did review federal student aid compliance performance of its system schools, staff did not find that the independent auditing firm reported or tested Mercy-St. Luke's composite score. The most recent composite score available from the federal Department of Education for Mercy-St. Luke's is for institutional fiscal year that ended on December 31, 2009; the school's composite score was 3.0.

- Mercy-St. Luke's states that its primary learning resources are computers, a large assortment of radiographic images, and anatomical skeletons, although a variety of textbooks are also available. There are computers located in each of the two classrooms (classrooms are located at both St. Luke's and Mercy Hospitals), in the radiology department of each hospital, and in the medical library of each hospital. St. Luke's has an internet cafe and wireless internet is available in both hospitals so students may use personal laptop computers outside normal school hours from anywhere in both hospitals. Students may use any computer located within the hospitals and are given log-in access at both hospitals to do so. Students routinely utilize the internet and software programs as study tools as opposed to printed materials (textbooks). The Program Director retains some software programs that can be loaded onto classroom computers or available for student check-out. Many textbooks that the students do purchase have an accompanying software packet that students may utilize. The Medical Library at both sponsoring hospitals contains numerous reference materials published within the past five years, although students do not frequently utilize this resource. Students routinely check out radiographic images and anatomical skeletons for use as study tools outside of normal school hours.
- Mercy-St. Luke's employs individuals who have degrees, special training, experience, or other accomplishments that qualify them for their assignments. All 3 full-time faculty members (including the CEO/Program Director) are Registered Radiologic Technologists, credentialed by the American Registry of Radiologic Technologists. Additionally, all graduated from accredited Radiologic Technology programs for their professional education. The Program Director holds a bachelor's and master's degree in education. The additional full-time faculty members hold baccalaureate degrees in health arts and have several years of professional experience in the field of radiography. Mercy-St. Luke's advises that their faculty credentials exceed the minimum expectations of their program's accrediting agency, JRCERT.

Mercy-St. Luke's also utilizes six clinical site supervisors at St. Luke's Hospital and Mercy Medical Center who are employed by the hospitals as radiological technologists.

- The school CEO/Program Director is primarily responsible for curriculum evaluation and development at Mercy-St. Luke's. The additional two full-time faculty members also assist in this process. The school also surveys graduates and the results are presented to the school's Governing Committee for review on an annual basis. Members of the Governing Committee help assess the survey data and discuss potential revisions with the CEO/Program Director and program faculty. However, final decisions are not made by the Governing Committee members since all members are not proficient in education and radiologic technology. Individual course evaluations are performed with enrolled students each semester. These are evaluated on an ongoing basis and minor adjustments to content and course delivery are made by the Program Director and faculty throughout the year.

- Physical facilities: Classroom facilities are located at both Mercy Medical Center and St. Luke's Hospital in Cedar Rapids. Each classroom is appropriately designed, contains ample space, and is equipped with the essentials of an effective classroom. These items include standard equipment such as a computer, LCD overhead projector, chalk and white boards, tables and chairs. Each classroom contains an ample amount of anatomic skeletons and radiographic accessories such as cassettes, calipers, sensitometers, etc. A non-energized laboratory was installed in 2008. The accessories and supplies (positioning aids) used in the laboratory were primarily donated by the two hospitals as these items have been replaced within the hospital departments. Office space provided to faculty is adequate for their roles, supplying a secure place for records as well as a private place for student conferencing.
- Mercy-St. Luke's registration application includes a written statement from CEO/Program Director Dana Schmitz affirming the school's commitment to delivery of a quality instructional program in radiologic technology. She states that the school's accrediting agency, JRCERT, requires a school that plans to close a program to ensure that all enrolled students are allowed an opportunity to complete the program by some method. However, Ms. Schmitz states that in the event the Mercy-St. Luke's program would close, the school would establish a closing date that is after the graduation date of the newest class of students. Ms. Schmitz states that it is not an option for Mercy-St. Luke's to attempt to find another local program willing to enroll its students as most radiologic technology programs have a very limited number of positions available due to clinical supervision guidelines.
- *Full-Time Iowa Resident Faculty Member or Program Coordinator.* Mercy-St. Luke's has three full-time, Iowa-based employees: Dana Schmitz, CEO/Program Director; Rochelle Holt, Clinical Coordinator; and Roxann Pospisil, Clinical Coordinator.

Mercy-St. Luke's disclosed its process for resolution of student and graduate comments and complaints. The school surveys graduates and results are presented to the school's Governing Committee for review. The Governing Committee has the responsibility and authority to determine the appropriate course of action if issues are identified. Students are notified of the school's grievance procedure in the school's Student Handbook <http://www.stlukescr.org/our-services/all-other-services/imaging-services/school-of-radiologic-technology/>, including the students' right to express their concerns about the school to its programmatic accrediting agency, JRCERT. The school directs its students first to a Clinical Coordinator to air a grievance, then to the Program Director if the student receives no satisfaction at the Clinical Coordinator level. If no resolution is achieved at the Program Director level, the student may present his/her grievance in writing to the Medical Director (a member of the school's Governing Committee). If the student's grievance is not resolved at the Medical Director level, the Medical Director will forward a copy of the grievance to each member of the school's Governing Committee. If the student is dissatisfied with the decision of the Governing Committee, he/she may request formation of an impartial grievance committee comprised of six members, three selected by the student and three selected by the school. All members of the committee will be employees of the hospital at which the grievance is presented, must not be relatives of the student, Governing Committee, or school faculty, must not be connected with the school or the hospital's radiology department, and all must be one level above the Program Director. The decision of this impartial grievance committee is final and no further appeal is possible.

Additional Information

Mercy-St. Luke's provided the following additional information as required by the registration application. These data are provided for informational purposes only; at this time, they do not relate to registration criteria under Iowa Code or administrative rules.

- Federal Stafford Loan Cohort Default Rate (FFY 2009): 0%. The school reports that it initiated participation in the federal student aid programs in 2011. A Stafford loan cohort default rate will not be calculated and reported for this school until October 1, 2013.
 - FFY 2009 national average cohort default rate: 8.8%
- Graduation rate (percentage of first-time, full-time undergraduate students who graduated within 150% of the normal time for program completion as reported to the federal Department of Education): 86% for students who entered their programs in 2006, 100% for students who entered their program in 2007, and 2008.
- Average loan debt for 2011 graduates: \$19,904

Compliance with Iowa Code Chapter 714

Section 714.18 – Evidence of Financial Responsibility

Mercy-St. Luke's qualifies for a limited exemption as a trade or vocational school (current Iowa Code Section 714.22) based on audited financial statements the school provided for its parent entity Iowa Health System and Subsidiaries substantiating net assets totaling at least \$250,000. Revised Iowa Code effective July 1, 2012, repeals the trade/vocational school exemption. Effective July 1, 2012, new revised Iowa Code Section 714.24, subsections 1 and 2, requires a school that is governed by the financial responsibility and exemption provisions of Iowa Code Sections 714.18 and 714.19 to renew evidence of financial responsibility or substantiate qualification for exemption, at minimum, every two years. Mercy-St. Luke's must file evidence of financial responsibility or demonstrate qualification for another exemption on or before the end of this two-year period.

Section 714.23 – State Tuition Refund Policy

The Iowa tuition refund policy does not apply to Mercy-St. Luke's because it is a private nonprofit institution.

IOWA COLLEGE STUDENT AID COMMISSION

**ColorFX Printing and Fulfillment
Contract Extension
May 2012**

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 would be the 4th and last of four extensions of the contract.

IOWA COLLEGE STUDENT AID COMMISSION

ME&V Contract Extension May 2012

Recommended Action:

Authorize staff to exercise the option for a one-year extension of the Public Relations and Communication Services Contract with ME&V.

The Commission signed a contract in February of 2009 for creative advertising, marketing, and consulting services for the Commission's Marketing Department. ME&V received a 28-month contract (March 1, 2009 – June 30, 2011) which permits three one-year renewals at the option of the Commission. In addition, the contract permits the Commission to direct work to ME&V during a two month transition period prior to or immediately following the term of the agreement.

Staff has been very pleased with ME&V's performance. Under this contract, ME&V has provided Commission staff with expertise and significant time savings in the areas of marketing and communications, including administration and analysis of focus groups, design and development of a new state fair booth, development and production of promotional videos, as well as the setup and launch of the Iowa College Aid Connections blog. This would be the second of three possible extensions of the contract.

IOWA COLLEGE STUDENT AID COMMISSION

**Audit and Finance Committee Report
May 2012**

The Audit and Finance Committee will meet prior to the Commission Meeting and will be providing a report to the Commission on May 18, 2012.

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 2013.

Iowa College Student Aid Commission

**Legislative Action Committee
May 2012**

A legislative report will be provided during the May 18, 2012 Commission Meeting.

Iowa College Student Aid Commission
Human Resources and Nominations Committee
May 2012

The Committee is making the following nominations for FY2013.

Audit and Finance Committee

Bob Donley
Karolyn Wells
Doug Shull
New Commissioner to be announced.

Human Resources and Nominations Committee

Janet Adams
Crystal Ford
Roger Utman

Legislative Action Committee

Rob Denson
Fred Moore
Kelli Todd
Roger Utman
Randy Feenstra
Ron Jorgensen
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
GUARANTEED STUDENT LOAN ADMINISTRATION
SUMMARY OF RESOURCES AND EXPENDITURES
SFY 2012 as of April 30, 2012**

Operating Fund	Class	FY 2012 Operating Budget	FY 2012 Year to Date Budget	FY 2011 Apr-11 Mth Actual	FY 2012 Apr-12 Mth Actual	FY 2011 Year to Date Actuals	FY 2012 Year to Date Actuals	YTD Actual to Budget Variance
Revenues/Resources:								
1	Federal Account Maintenance Fees (AMF)	1,551,202	775,601	-	-	902,609	803,666	28,065
2	Federal Loan Processing Fee (LPIF)	-	-	-	-	(5,253)	-	-
3	Default Aversion Fees (DAF) (Net of rebates)	341,954	256,466	42,399	57,189	745,049	584,674	328,208
4	ICSAC Share Default Collections	5,455,188	4,091,391	701,983	793,845	6,621,003	6,320,527	2,229,136
5	Direct Loans Cons. (Net of 8.5% back to Fed Gov)	2,576,750	1,932,563	418,318	62,592	2,142,704	2,078,729	146,166
6	Interest on Operating Fund	75,000	56,250	2,552	5,985	51,149	41,030	(15,220)
7	Other Revenue (includes TOP)	870,000	652,500	504,700	548,451	727,108	658,102	5,602
8	Est PLP Rev	500,000	375,000	65,659	44,763	1,199,797	466,461	91,461
9	Intra-Agency Reimbursements	1,670,272	1,252,704	-	301,964	-	1,130,566	(122,138)
10	State Appropriation	-	-	-	-	141,589	-	-
Total Revenues/Resources		\$ 13,040,366	\$ 9,392,475	\$ 1,735,611	\$ 1,814,789	\$ 12,525,755	\$ 12,083,755	\$ 2,691,280
Expenditures:								
11	Agency Administration	1,386,300	1,080,723	423,194	96,579	6,257,043	1,003,882	(76,841)
12	Marketing Administration	283,972	212,980	-	2,504	-	111,147	(101,833)
Total Administrative		\$ 1,670,272	\$ 1,293,703	\$ 423,194	\$ 99,083	\$ 6,257,043	\$ 1,115,029	\$ (178,674)
13	Collection Expense	6,050,102	4,585,580	483,403	596,240	4,834,785	5,247,029	661,449
14	FFEL Expense	2,392,458	1,820,994	0	178,409	0	1,738,342	(82,652)
15	Collection Expense - PLP	127,500	95,625	16,179	13,393	318,252	127,829	32,204
Total Collection and FFEL Expenses		\$ 8,570,060	\$ 6,502,199	\$ 499,582	\$ 788,042	\$ 5,153,037	\$ 7,113,200	\$ 611,001
16	Grant Administration	\$ 2,103,146	\$ 2,004,259	\$ -	\$ 1,743,873	\$ -	\$ 1,968,718	(35,541)
17	Financial Literacy	91,011	71,515	0	9,847	0	66,165	(5,350)
18	IHAPI	649,697	510,033	0	62,570	0	451,631	(58,402)
Total Fin Literacy, IHAPI and Grant Expenditures		\$ 2,843,854	\$ 2,585,807	\$ -	\$ 1,816,290	\$ -	\$ 2,486,515	\$ (99,292)
19	Osteopathic and Miscellaneous programs	0	0	0	0	0	0	-
20	Scholarship and Grants	687,592	535,983	0	76,741	0	397,523	(138,460)
21	Postsecondary Registration	175,311	138,726	0	19,835	0	129,022	(9,704)
Total Misc. (S&G, Postsecondary Reg, Osteo)		\$ 862,903	\$ 674,709	\$ -	\$ 96,575	\$ -	\$ 526,545	\$ (148,164)
Total Operating Expenses		13,947,089	11,056,418	922,776	2,799,991	11,410,080	11,241,289	184,871
22	Federal Default Fee	0	0	0	0	31,769	0	-
Total Federal Default Fee		\$ -	\$ -	\$ -	\$ -	\$ 31,769	\$ -	\$ -
Net resources (exp) before other		\$ (906,723)	\$ (1,663,943)	\$ 812,835	\$ (985,202)	\$ 1,083,905	\$ 842,466	\$ 2,506,409
Other Resources (Grant Drawdown)								
23	Gear Up Grant DrawDown	2,800,000	2,450,000	65,670	54,964	3,744,980	2,094,793	(355,207)
24	College Access Grant Funds	1,500,000	1,125,000	8,269	-	854,237	488,676	(636,324)
25	JR Justice	-	-	-	-	-	104,251	104,251
Total Other Resources		\$ 4,300,000	\$ 3,575,000	\$ 73,939	\$ 54,964	\$ 4,599,217	\$ 2,687,720	\$ (887,280)
Other Expenditures (grants)								
25	Gear Up Grant	2,800,000	2,464,046	47,056	216,200	3,733,224	2,294,958	(169,088)
26	College Access Challenge Grant	1,500,000	1,138,218	18,423	19,453	942,426	996,966	(141,252)
27	JR Justice	0	0	0	8,501	0	104,251	104,251
Total Other Expenditures		\$ 4,300,000	\$ 3,602,264	\$ 65,479	\$ 244,154	\$ 4,675,650	\$ 3,396,176	\$ (206,088)
Net Other Income		\$ -	\$ (27,264)	\$ 8,460	\$ (189,190)	\$ (76,433)	\$ (708,456)	\$ (681,192)
Net Gain(Loss)Operating Fund		\$ (906,723)	\$ (1,691,207)	\$ 821,295	\$ (1,174,392)	\$ 1,007,472	\$ 134,010	\$ 1,825,217

Footnotes:

5 - Estimated revenue; net number (10% of rehabs) based on total receipts from USDE (18.5%) less payments to USDE (8.5%)
 Prior year numbers have been adjusted to reflect updated methodology. Prior year number was originally MTD - \$150,810; YTD - \$1,808,123
 8 - Total cash receipts, includes principal and interest
 Prior year numbers have been adjusted to reflect updated methodology. Prior year number was originally MTD - \$29,547; YTD - \$539,909

12-05-E1

IOWA COLLEGE STUDENT AID COMMISSION
 FUND 0163 - YEAR TO DATE UNIT DETAIL
 SUMMARY OF RESOURCES AND EXPENDITURES
 SFY 2012 as of April 30, 2012

Operating Fund	UNIT 2001	UNIT 2002	UNIT 2004	UNIT 3003	UNIT 3004	UNIT 4001	UNIT 5002	UNIT 5003	UNIT 7001	UNIT 7002	UNIT 7003	UNIT 7007	UNIT 8008	UNIT 9009	YTD ACTUAL	YTD BUDGET	YTD Actual to Budget Variance
Class	ADMIN	MARKETING	MISC	COLLECTIONS	FFEL	JR JUSTICE	S&G	POSTSEC REG	GRANT ADMIN	FIN LIT	IHAPI	CACG	PLP	GEAR UP	TOTAL	TOTAL	
Revenues/Resources:																	
1 Federal Account Maintenance Fees (AMF)	-	-	-	-	803,666	-	-	-	-	-	-	-	-	-	803,666	775,601	28,065
2 Federal Loan Processing Fee (LPIF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Default Aversion Fees (DAF) (Net of rebates)	-	-	-	-	584,674	-	-	-	-	-	-	-	-	-	584,674	256,466	328,208
4 ICSAC Share Default Collections	-	-	-	6,320,527	-	-	-	-	-	-	-	-	-	-	6,320,527	4,091,391	2,229,136
5 Direct Loans Cons. (Net of 8.5% back to Fed Gov)	-	-	-	2,078,729	-	-	-	-	-	-	-	-	-	-	2,078,729	1,932,563	146,166
6 Iowa Access Grants Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Interest on Operating Fund	-	-	-	-	41,030	-	-	-	-	-	-	-	-	-	41,030	56,250	(15,220)
8 Other Revenue (includes TOP)	-	-	4,182	641,692	11,199	-	-	-	-	-	-	-	-	1,029	658,102	652,500	5,602
9 Est PLP Rev	-	-	-	-	-	-	-	-	-	-	-	-	466,461	-	466,461	375,000	91,461
10 Intra-Agency Reimbursements	1,003,882	111,147	-	-	387	-	15,150	-	-	-	-	-	-	-	1,130,566	1,252,704	(122,138)
11 Grant DrawDown from USDE	-	-	-	-	-	104,251	-	-	-	-	-	488,676	-	2,094,793	2,687,720	3,575,000	(887,280)
12 State Appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues/Resources	\$ 1,003,882	\$ 111,147	\$ 4,182	\$ 9,040,948	\$ 1,440,956	\$ 104,251	\$ 15,150	\$ -	\$ -	\$ -	\$ -	\$ 488,676	\$ 466,461	\$ 2,095,822	\$ 14,771,475	\$ 12,967,475	\$ 1,804,000
Expenditures:																	
13 Personal Services - Loan Administration	654,220	-	-	595,146	340,938	-	173,688	93,416	90,646	44,892	295,169	176,972	-	146,733	2,611,820	2,847,005	(235,185)
14 Travel	2,256	20,059	-	2,364	3,196	-	2,398	-	31	-	3,010	10,248	-	31,620	75,182	144,198	(69,016)
15 Office Supplies	22,287	2,805	-	560	-	-	113	-	-	-	343	60	-	5,249	31,417	29,382	2,035
16 Equipment Repairs	1,126	-	-	95	-	-	-	-	-	-	-	-	-	-	1,221	975	246
17 Printing and Binding	1,103	50,284	-	306	887	-	1,026	-	-	-	2,128	8,582	-	4,281	68,597	110,401	(41,804)
18 Food	105	-	-	-	-	-	-	-	-	-	-	-	-	1,445	1,550	-	1,550
19 Postage	6,326	14,131	-	538	9	-	4,129	-	-	-	19	133	-	93	25,378	26,712	(1,334)
20 Communications	25,314	64	-	2,763	361	-	2,675	-	308	-	2,557	2,357	-	5,537	41,936	45,286	(3,350)
21 Rentals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22 Professional & Scientific Services	6,314	-	-	9,269	43,256	-	-	-	-	-	108	2,190	-	15,000	76,137	49,275	26,862
23 Outside Services - SLMA	-	-	-	-	888,821	-	-	-	-	-	-	-	-	-	888,821	867,344	21,477
24 Outside Services - iLink	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 Outside Services - SLCS	-	-	-	-	297,520	-	-	-	-	-	-	-	-	-	297,520	371,262	(73,742)
26 Outside Services - Other	4,691	-	-	3,610,669	-	-	2,061	-	-	-	92	-	125,687	6,345	3,749,545	3,144,011	605,534
27 Intra-State Transfers	19,028	-	-	-	-	-	-	-	-	-	-	-	-	56,704	75,732	492,578	(416,846)
28 Advertising & Publicity	-	20,249	-	-	-	-	-	-	-	-	-	81,355	-	434,561	536,165	98,363	437,802
29 Attorney General	11,250	-	-	23,377	-	-	-	-	-	-	-	-	-	34,627	38,700	(4,073)	
30 State Audits	18,984	-	-	-	-	-	-	-	-	-	-	-	-	18,984	22,125	(3,141)	
31 State Reimbursements - Rent	46,582	-	-	-	-	-	-	-	-	-	-	-	-	46,582	48,947	(2,365)	
32 State Reimbursements - Other	7,972	682	-	409	1,637	-	397	136	-	-	239	273	-	721	12,466	24,832	(12,366)
33 ITE Reimbursements	118,521	1,239	-	2,750	3,556	-	848	334	-	-	576	529	-	897	129,250	218,288	(89,038)
34 Intra-Agency Reimbursements	-	-	-	283,647	158,111	19,251	206,692	35,136	197,733	21,273	147,390	27,361	-	37,776	1,134,372	1,252,706	(118,334)
35 Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	2,040	2,040	-	2,040
36 Office Equipment	-	48	-	-	-	-	-	-	-	-	-	399	-	1,047	1,494	-	1,494
37 IT Equipment & Software	56,354	-	-	-	-	-	3,496	-	-	-	-	1,507	1,383	44,909	107,649	96,038	11,611
38 Other Expenses & Obligations	1,449	1,586	-	204	-	-	-	-	-	-	-	-	-	3,239	18,569	(15,330)	
39 Licenses	-	-	-	-	-	-	-	-	-	-	-	685,000	-	100,000	785,000	989,685	(204,685)
40 Other Refunds	-	-	-	714,982	-	-	-	-	-	-	-	-	759	-	715,741	642,000	73,741
41 State Aid	-	-	-	-	-	85,000	-	-	1,680,000	-	-	-	-	1,400,000	3,165,000	3,080,000	85,000
Total Administrative	\$ 1,003,882	\$ 111,147	\$ -	\$ 5,247,079	\$ 1,738,292	\$ 104,251	\$ 397,523	\$ 129,022	\$ 1,968,718	\$ 66,165	\$ 451,631	\$ 996,966	\$ 127,829	\$ 2,294,958	\$ 14,637,465	\$ 14,658,682	\$ (21,217)
Total Expenditures	\$ 1,003,882	\$ 111,147	\$ -	\$ 5,247,079	\$ 1,738,292	\$ 104,251	\$ 397,523	\$ 129,022	\$ 1,968,718	\$ 66,165	\$ 451,631	\$ 996,966	\$ 127,829	\$ 2,294,958	\$ 14,637,465	\$ 14,658,682	\$ (21,217)
Net Gain(Loss)Operating Fund	\$ -	\$ -	\$ 4,182	\$ 3,793,869	\$(297,336)	\$ -	\$(382,373)	\$(129,022)	\$(1,968,718)	\$(66,165)	\$(451,631)	\$(508,290)	\$(338,632)	\$(199,136)	\$ 134,010	\$(1,691,207)	\$ 1,825,217

Footnotes:

- 5 - Estimated revenue; net number (10% of rehabs) based on total receipts from USDE (18.5%) less payments to USDE (8.5%)
- 9 - Total cash receipts, includes principal and interest

**IOWA COLLEGE STUDENT AID COMMISSION
 DEFAULT PREVENTION, FUND #0261
 SUMMARY OF RESOURCES AND EXPENDITURES
 SFY 2012 as of April 30, 2012**

	FY 2011 Budget	FY 2011 Year to Date Budget	FY 2011 Year to Date Actuals	Variance
Resources:				
Interest	\$ 7,500.00	\$ 6,250.00	\$ 3,471.00	\$ (2,779.00)
Refunds & Reimbursements	\$ -	\$ -	\$ 4,718.00	\$ 4,718.00
Total Resources	\$ 7,500.00	\$ 6,250.00	\$ 8,189.00	\$ 1,939.00
Expenditures:				
Travel/State Vehicle	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -
Printing & Binding	\$ -	\$ -	\$ -	\$ -
Professional & Scientific Services	\$ -	\$ -	\$ -	\$ -
Outside Services	\$ -	\$ -	\$ -	\$ -
Advertising & Publicity	\$ -	\$ -	\$ -	\$ -
ITD Reimbursement	\$ -	\$ -	\$ -	\$ -
Licenses	\$ 150,000.00	\$ 150,000.00	\$ 135,000.00	\$ (15,000.00)
Aid to Individuals	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 150,000.00	\$ 150,000.00	\$ 135,000.00	\$ (15,000.00)
Net Gain(Loss)	\$ (142,500.00)	\$ (143,750.00)	\$ (126,811.00)	\$ 16,939.00
Default Prevention Cash Balance 6/30/11	\$ 1,719,606.61			
Net Gain/(Loss) SFY 2012 04/30/2012	\$ (126,811.00)			
Cash Balance 04/30/2012	\$ 1,592,795.61			

IOWA COLLEGE STUDENT AID COMMISSION
SCHOLARSHIP & GRANT ADMINISTRATION
SUMMARY OF EXPENDITURES
SFY 2012 as of April 30, 2012

State Appropriated - \$232,943

	FY 2011	FY 2012	FY 2012	FY 2012	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Expenditures:					
1 Salaries	\$ 219,455	\$ 232,510	187,797	\$ 176,278	\$ (11,519)
2 Travel	335	433	361	-	(361)
3 Office Supplies	1,445	-	-	-	-
4 Equipment Repairs	52	-	-	-	-
5 Printing	2,058	-	-	-	-
6 Postage	3,672	-	-	-	-
7 Communications	2,381	-	-	-	-
8 Rental	5,588	-	-	-	-
9 Professional Services	60	-	-	-	-
10 Outside Services	3,653	-	-	-	-
11 State Transfers	75	-	-	-	-
12 State Reimbursements - Rent	3,479	-	-	-	-
13 State Reimbursements	1,469	-	-	-	-
14 ITD Reimbursements	6,165	-	-	-	-
15 Office Equipment	-	-	-	-	-
16 IT Equipment & Software	-	-	-	-	-
17 Other Expenses & Obligations	9	-	-	-	-
Total Expenditures	\$ 249,896	\$ 232,943	\$ 188,158	\$ 176,278	\$ (11,880)

Notes:

1 - FY2012 Budget covers as many salary and benefit costs as possible, with remainder to travel. FY2011 budget was done with a different assumption.

Non Appropriated (Covered by GSL)

	FY 2011	FY 2012	FY 2012	FY 2012	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Resources:					
18 Intra-agency Reimbursements	-	-	-	\$ 15,150	\$ 15,150
Total Resources	\$ -	\$ -	\$ -	\$ 15,150	\$ 15,150
Expenditures:					
19 Salaries	-	351,674	293,061	173,688	(119,373)
20 Travel	-	2,275	1,896	2,398	502
21 Office Supplies	-	-	-	113	113
22 Equipment Repairs	-	-	-	-	-
23 Printing	-	-	-	1,026	1,026
24 Postage	-	-	-	4,129	4,129
25 Communications	-	2,774	2,312	2,675	363
26 Rental	-	-	-	-	-
27 Outside Services	-	-	-	2,061	2,061
28 State Transfers	-	-	-	-	-
29 State Reimbursements - Rent	-	-	-	-	-
30 State Reimbursements	-	1,820	1,516	397	(1,119)
31 ITD Reimbursements	-	1,425	1,188	848	(340)
32 Intra-Agency Reimbursements	-	327,624	273,020	206,650	(66,370)
33 Office Equipment	-	-	-	-	-
34 IT Equipment & Software	-	-	-	3,496	3,496
35 Other Expenses & Obligations	-	-	-	-	-
Total Expenditures	\$ -	\$ 687,592	\$ 572,993	\$ 397,481	\$ (175,512)

Notes:

18 - Intra-Agency reimbursements (resources) reflects reimbursement received from JR Justice grant; represents salaries and benefits costs reimbursement.
32 - Intra-Agency reimbursements reflects the charges for Administration and Marketing for ICSAC. Charges are allocated based on budgeted FTE count.

Total Expenditures (Appropriated + NonAppropriated)

	FY 2011	FY 2012	FY 2012	FY 2012	Variance
	Actual	Budget	Year to Date	Year to Date	Over
			Budget	Actual	(Under)
Resources:					
36 Intra-agency Reimbursements	\$ -	\$ -	\$ -	\$ 15,150	\$ 15,150
Total Resources	\$ -	\$ -	\$ -	\$ 15,150	\$ 15,150
Expenditures:					
37 Salaries	\$ 219,455	\$ 584,184	\$ 480,858	\$ 349,966	\$ (130,892)
38 Travel	335	2,708	2,257	2,398	141
39 Office Supplies	1,445	-	-	113	113
40 Equipment Repairs	52	-	-	-	-
41 Printing	2,058	-	-	1,026	1,026
42 Postage	3,672	-	-	4,129	4,129
43 Communications	2,381	2,774	2,312	2,675	363
44 Rental	5,588	-	-	-	-
45 Outside Services	60	-	-	2,061	2,061
46 State Transfers	3,653	-	-	-	-
47 State Reimbursements - Rent	75	-	-	-	-
48 State Reimbursements - Other	3,479	1,820	1,516	397	(1,119)
49 ITD Reimbursements	1,469	1,425	1,188	848	(340)
50 Intra-Agency Reimbursements	6,165	327,624	273,020	206,650	(66,370)
51 Office Equipment	-	-	-	-	-
52 IT Equipment & Software	-	-	-	3,496	3,496
53 Other Expenses & Obligations	9	-	-	-	-
Total Expenditures	\$ 249,896	\$ 920,535	\$ 761,151	\$ 573,759	\$ (187,392)
Net Resources (Expenditures)	(249,896.00)	(920,534.79)	(761,151.16)	(558,609.40)	202,541.76



IowaCollegeAid.gov
Your Financial Aid Connection

