

# Iowa College Student Aid Commission

Postsecondary Registration Administrator  
430 East Grand Avenue, FL 3  
Des Moines, IA 50309-1920  
877-272-4456

## Statement of Financial Responsibility and Exemption Request Iowa Code Chapter 714

This document includes the form for all schools that are required to file a Statement of Financial Responsibility under Iowa Code Chapter 714, Sections 714.17 through 714.25 and the form for requesting an exemption from filing of a Statement of Responsibility.

Complete either the Statement of Financial Responsibility or the Request for Exemption. Do not complete both forms. COMPLETED FORMS AND ANY APPLICABLE ATTACHMENTS MAY BE SUBMITTED EITHER IN PAPER OR ELECTRONIC FORMAT.

**All items must be completed** before the application will be considered as received by the Commission. Attach additional pages as needed to provide the requested information. Other documents or materials may also be attached to support the application.

### GENERAL INFORMATION

- Q.** Who must file a Statement of Financial Responsibility?
- A.** Unless an exemption applies, the filing must be made by every person, firm, association, or corporation (collectively referred to in the forms as a “school”) that maintains or conducts in Iowa any course of instruction for profit or for tuition charge, whether by classroom instruction or by correspondence, or that solicits in Iowa the sale of such course.
- Q.** What is contained in the Statement of Financial Responsibility?
- A.** The Statement contains general identifying information, a Designation of Resident Agent, a requirement for disclosure of certain course and tuition information, and provision of financial security.
- Q.** When must this Statement be filed?
- A.** The filing must occur before the school begins instruction. Thereafter, the school must renew its financial responsibility filing, at minimum, every two years.
- Q.** Must the school also register as a Postsecondary School under *Iowa Code* Chapter 261B?
- A.** The provisions of *Iowa Code* 261B primarily apply to postsecondary schools which issue degrees, and require registration detailing the ownership of the school and the courses of instruction offered. There is no automatic exemption between chapters 261B and 714. The school must review the provisions of 261B to determine how the law applies to the school’s situation.

The information you provide will be open to public inspection under Iowa Code Chapter 22.11

Rev. 03/14

**INSTRUCTIONAL SCHOOL BOND**

**Bond No.** \_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS, That we, \_\_\_\_\_,  
as Principal, and \_\_\_\_\_ as Surety, are held and firmly bound unto the State of  
Iowa in the sum of \$ \_\_\_\_\_ lawful money of the United States, for which payment we bind ourselves,  
our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS the Principal proposes to maintain, advertise, or conduct in Iowa a course of instruction for profit, or  
for tuition charge, by classroom instruction or by correspondence and to enter into contracts and agreements with students  
for such courses of instruction; this Bond is conditioned on the faithful performance of all contracts and agreements made  
by it or its salespersons with students. If the Principal shall faithfully perform all such contracts and agreements, then this  
obligation is to be void and of no effect.

PROVIDED, The liability of the Surety upon this Bond shall be continuous, except that the Surety shall have the  
right to terminate its liability under this Bond by serving notice of its election to do so upon the State of Iowa. The Surety's  
liability under the Bond shall be terminated and canceled effective thirty (30) days after receipt by the State of a written  
notice signed by the Surety or its authorized agent, stating that the liability of the Surety is thereby terminated and canceled.  
Thereafter the Surety shall be discharged from any liability under this Bond for any default or violation of the terms  
of any contract or agreement made by the Principal or violation of the laws of the State of Iowa affecting such contract or  
agreement occurring after the effective date of the cancellation of this Bond.

Signed and dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
By: \_\_\_\_\_, Principal

\_\_\_\_\_  
By: \_\_\_\_\_ Ins. Co., Surety



**PART C - PROGRAMS/TUITION/POLICIES**

4. Enclose a copy of any catalog, prospectus, brochure or other advertising material intended for distribution in Iowa.

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5. State the tuition charges, fees and other costs payable to the school by a student.  
(Attach and tab a copy of a fee schedule produced for distribution to students/applicants.)

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6. State the refund policy of the school for return of refundable portions of tuition, fees, or other charges.  
(Attach and tab a copy of a refund policy statement produced for distribution to students/applicants.)

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**PART D - FINANCIAL SECURITY**

7. Attach a copy of a continuous corporate security bond payable to the state of Iowa in the sum of \$50,000 conditioned upon the faithful performance of all contracts and agreements with students.  
(See instructions for sample bond language.)

8. Attach a copy of the organization's Certificate of Existence or Certificate of Authority, whichever is applicable.

**PART E – SIGNATURE**

**Applicant Organization's Chief Executive Officer**

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Name

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Title

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Signature

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Date

Generally, this statement must be renewed, at minimum, every 2 years.

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## Exemption Claim Under Iowa Code Chapter 714

**THE COMPLETED APPLICATION MAY BE SUBMITTED IN PAPER OR ELECTRONIC FORMAT.**

All items must be completed before the application will be considered as received by the Commission. Attach additional pages as needed to provide the requested information. Other documents or materials may also be attached to support the application.

A school which falsely or erroneously claims an exemption remains subject to the enforcement authority of Chapter 714.

**DO NOT COMPLETE BOTH THE EXEMPTION AND THE FILING STATEMENT**

### PART A – IDENTIFICATION

1. This claim of exemption is filed on behalf of:

Name or title of school: \_\_\_\_\_

Address of principal office: \_\_\_\_\_

\_\_\_\_\_

Telephone Number (including country or area code): \_\_\_\_\_

Email Address

\_\_\_\_\_

2. State the name, business address and business telephone number of the chief executive officer of the school:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**PART B – EXEMPTION**

3. The school is exempt from filing a statement of financial responsibility pursuant to the following exception in *Iowa Code* §714.19: (check one)
- 1. Colleges or universities authorized by the laws of Iowa or any other state or foreign country to grant degrees.
  - 2. Schools of nursing accredited by the board of nurse examiners or an equivalent public board of another state or foreign country.
  - 3. Public schools.
  - 4. Private and nonprofit schools recognized by the department of education or a local school board for the purpose of complying with chapter 299 and employing certified teachers. (See instructions.)
  - 5. Nonprofit schools exclusively engaged in training persons with physical disabilities in the state of Iowa.
  - 6. Schools and educational programs conducted by firms, corporations, or persons for which no fee is charged.
  - 7. Seminars, refresher courses and schools of instruction by professional, business, or farming organizations or associations for the members and employees of members of such organizations or associations. A person who provides instruction under the subsection who is not a member or an employee of a member of the organization or association shall not be eligible for this exemption.
  - 8. Private business schools accredited by an accrediting agency recognized by the United States Department of Education or the Council for Higher Education accreditation.
  - 9. Private college preparatory schools accredited or probationally accredited under section 256.11, subsection 13.
  - 10. Private, nonprofit schools that meet the criteria established under section 261.9, subsection 1.
4. Describe the course of instruction offered and set forth the facts establishing the appropriateness of the exemption.

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**PART C – SIGNATURE**

\_\_\_\_\_  
Signature

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Date

If the claimed exemption becomes inapplicable, the school must immediately file the statement of financial responsibility or cease offering the course(s) of instruction, or follow other applicable registration requirements under Iowa Code Chapter 261B or Chapter 714. Generally, a school must renew its exemption application, at minimum, every 2 years.