

**Iowa College Student Aid Commission
September 17, 2010**



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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

September 17, 2010

10:00 AM

Iowa College Student Aid Commission
Commission Conference Room

- * 1. Minutes of Meeting Tab A
 - August 19, 2010 Commission Meeting
- 2. Executive Director’s Report Tab BMisjak
- * 3. ETV Contract with Department of Human Services..... Tab CBrown
- * 4. Postsecondary Registration..... Tab D Small
 - Shiloh University
 - Maharishi University of Enlightenment
 - Maharishi Vedic University
 - Tulsa Welding School
- 5. Committee Reports Tab E
 - * - Legislative Action Committee Commissioner Adams
 - * - Human Resources\Nominations Committee Commissioner Adams
- 6. Staff ReportsTab F
 - FY 10 Revenue and Expenditure Summary..... Weems
 - Program Administration Final Expenditures FY 10..... Weems
 - FY 11 Revenue and Expenditure Summary..... Weems
 - State FY 12 Budget..... Weems
 - FY 10 Iowa Tuition Grant OverviewBrown
 - FAFSAs of Iowa Residents: a Look at Characteristics and Trends Girardi
- 7. Adjourn

* Indicates Action Item

Upcoming Meetings:

Unless otherwise indicated, meetings will begin at 10:00 a.m. and conclude by 2:00 p.m.

November 19, 2010

January 20, 2011

March 17, 2011

May 19, 2011

IOWA COLLEGE STUDENT AID COMMISSION

MINUTES OF MEETING

August 19, 2010

1:00 p.m.

Iowa College Student Aid Commission Conference Room

Members Present:

Janet Adams	Timothy P. Cole
Robert Denson	Bob Donley
Michelle Durand-Adams	Randy Feenstra
Crystal Ford	Greg Forristall
Herman Quirnbach	Roger Utman
Cindy Winckler	

Members Absent:

Terrence Martin	Frederick Moore
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Staff Members Present:

Michael Anderson	Nancy Ankeny
Todd Brown	Tony Girardi
Julie Leeper	Karen Misjak
Bobbi Pulley	Carolyn Small
Jami Weems	Ashley Wendt

Guests Present:

Matt Brown, Iowa Student Loan
Tom Davidson, Everfi
Dwayne Ferguson, Legislative Services Agency
Laurie Hoing, Iowa Department of Administrative Services

Call to Order

The Iowa College Student Aid Commission met for a regular scheduled meeting on August 19, 2010. Commission Chair Adams called the meeting to order at 1:00 p.m. with a quorum present.

Minutes of May 20, 2010 and June 11, 2010

Motion: Commissioner Donley moved to approve the May 20, 2010 and June 11, 2010 Meeting minutes as written. Commissioner Utman seconded the motion which passed unanimously.

Executive Director's Report

Ms. Misjak said that the first I Have a Plan Iowa Conference was held on August 9 and 10 at Drake University. There were over 140 teachers, counselors and administrators in attendance at the conference. Staff is receiving great compliments from the attendees. Ms. Misjak read two of the compliments received from attendees. Staff is still waiting for all of the conference evaluations to be returned.

Ms. Misjak said the Commission Fair booth is set up in the Varied Industries Building on the Iowa State Fair Grounds, and this year's emphasis is on the I Have a Plan Iowa web portal. The booth will be staffed during the Fair which is running August 12 through 22.

The Commission was designated by Governor Culver as the agency to administer the new John R. Justice Grant Program for the state. In the proposal for this grant the Commission is allowed to keep 15% for administrative fees. Ms. Misjak said staff have submitted narrative to the Bureau of Justice Assistance describing Iowa's proposed administrative process for this new program and is expecting the Bureau of Justice to approve proposals by September 30, 2010.

The Commission was notified that the College Access Challenge Grant Application was approved by the United States Department of Education for August 14, 2010 through August 13, 2011.

The Commission offices will be moving to the Iowa Building. The move is scheduled to take place by November 1, 2010. Neumann Brothers contractors were awarded the contract for the renovations to the office space. Ms. Misjak said the estimated cost for this renovation is \$455,000 and the Department of Management will pay \$65,000 of that amount. The Commission's budget is \$38,000 short from the contracted amount. Ms. Weems said it will take the

Commission 3.5 years to recuperate the money from this renovation based on lower rent expense.

Financial Literacy\Default Prevention On-Line Curriculum Contract

Mr. Anderson introduced Tom Davidson from EverFi, Inc. to present the services that EverFi, Inc. will be providing in Iowa based on the proposed contract approval. Mr. Davidson presented Commissioners with an overview of EverFi's on-line financial literacy tool.

Commissioner Forristall asked if EverFi, Inc. has ever provided this product statewide. Mr. Davidson said this will be the first statewide contract; however it is very comparable to contracts they cover with very large school districts. Commissioner Winckler asked how schools will become aware of this product. Mr. Anderson said this product will be integrated into the I Have a Plan Iowa web portal. Mr. Davidson said that EverFi, Inc. has a team that will be helping the Commission staff develop a marketing plan on how to inform all educators. The Iowa Department of Education reviewed the on-line tool to ensure that the core curriculum requirements for financial literacy are met.

Commissioner Donley asked how EverFi, Inc. is able to measure the success, noting that the Commission will need to look at the end results of this service. Mr. Anderson said that there will be assessments to track the knowledge base of students taking pre and post tests.

Commissioner Quirnbach asked if there will be implementation at the college and university level. Ms. Misjak said that all colleges and universities will have access through the web portal at no cost to the college or university. Commissioner Quirnbach asked how an educator could monitor students to make sure they are completing the platform, and Mr. Davidson said that educators can track their own students using an administrative log in.

The State of Iowa requires the inclusion of financial literacy in the core curriculum. Commissioner Durand-Adams asked whether this product is redundant in terms of what the schools in Iowa have already proposed, and if this is intended to help the Department of Education to meet the core curriculum requirement. If this does assist with the core curriculum requirement, Commissioner Durand-Adams asked why the Department of Education is not helping fund this project. Commissioner Utman said this is just another resource to help teachers with the requirement. Ms. Misjak said federal code requires that the Commission offer financial literacy and this is only one piece that educators are able to use. The Commission wants to help students learn how to finance higher education, and this is one building block to do that. Ms. Misjak said that this contract will be funded by the College Access Challenge Grant. In the grant application Commission staff was required to state what the moneys would be used for and this platform was included.

Mr. Davidson said the default prevention tool is a 4-hour platform and is geared toward college students. This tool will help students understand the importance of repaying their student loans and the consequences of default.

Motion: Commissioner Cole moved to authorize the Executive Director to enter into a contract for a Financial Literacy and Default Prevention On-Line Tools with EverFi, Inc. Commissioner Donley seconded the motion which passed unanimously.

Legislative Committee Report

Commission Chair Adams said the Legislative Committee met prior to the Commission meeting and is proposing 9 agency bills for the 2012 General Assembly.

1. State Funding Mechanism - the Committee would like to include a paragraph in the Iowa Code allowing staff to use no more than 6 percent of moneys appropriated under Iowa Code Section 261 for administration of the student financial aid programs for Iowa students and their families.

Motion: Commissioner Donley moved to approve the endorsement of the agency bill proposal on the State Funding Mechanism. Commissioner Cole seconded the motion which passed unanimously.

2. Postsecondary Registration - Since assuming full responsibility for postsecondary registrations, the Committee has identified areas of Iowa Code Chapter 261B that should be enhanced to ensure the protection of Iowa students.

Motion: Commissioner Denson moved to approve the endorsement of the agency bill proposal on Postsecondary Registrations. Commissioner Utman seconded the motion which passed unanimously.

Commission Chair Adams said the Legislative Committee would like the opinion of the Attorney General to determine what the outcome is for the students that may be enrolled in schools that are not accredited or not registered with the State of Iowa, and where they go to make complaints.

3. Student Eligibility - The Committee would like to clarify student eligibility of state funded scholarships and grants and ensure that all students receiving state funded grants are attending institutions that are not required to register under Iowa Code Chapter 261B.

Motion: Commissioner Utman moved to approve the endorsement of the agency bill proposal on Student Eligibility. Commissioner Cole seconded the motion which passed unanimously.

4. Iowa Guaranteed Student Loan Program - The Committee is requesting changes that will allow greater flexibility for entering into agreements and expanding services are being proposed for Iowa Code Sections 261.35 through 261.43A.

Motion: Commissioner Donley moved to approve the endorsement of the agency bill proposal on the Iowa Guaranteed Student Loan Program. Commissioner Cole seconded the motion which passed unanimously.

5. Duties of the Commission - Changes to Iowa Code 261.2 will allow the Commission to accept and administer trusts and create a nonprofit foundation to seek and administer additional funding to fulfill the Commission's mission.

Motion: Commissioner Durand-Adams moved to approve the endorsement of the agency bill proposal on the Duties of the Commission. Commissioner Utman seconded the motion which passed unanimously.

6. All Iowa Opportunity Foster Care Grant Program -Because of the time and costs involved in tracking students, the Committee recommends that the Commission's tracking requirement be removed from code. The Department of Human Services is currently required to track these students under federal law. Staff will continue discussions with the Department of Human Services to see if reports can be provided to the Commission on foster care student trends.

Motion: Commissioner Cole moved to approve the endorsement of the agency bill proposal for the All Iowa Opportunity Foster Care Grant Program. Commissioner Utman seconded the motion which passed unanimously.

7. Iowa Teacher Shortage Loan Forgiveness Program - Given the current state of the economy and the resulting cutbacks in teaching staff, the Committee believes that eligible teachers should be limited to five years of eligibility, but believes the requirement that they be consecutive years is too restrictive and would like to remove the word consecutive from Iowa Code. Commissioners agreed but asked staff to provide a time limit by which the loan forgiveness requirements must be met.

Motion: Commissioner Donley moved to approve the endorsement of the agency bill proposal for the Iowa Teacher Shortage Loan Forgiveness Program as amended. Commissioner Denson seconded the motion which passed unanimously.

8. Iowa Tuition Grant - With workforce issues and changes in careers, the Committee believes students who have received 8 semesters of awards, but have not earned a 4-year degree, should be allowed to regain ITG eligibility following a 4-year period of time when the student is not enrolled in postsecondary education. This proposal was tabled by the Chair for further review.
9. Reporting Requirements - A recent Supreme Court ruling made changes to information that can be collected with respect to affirmative action. The proposed Code changes ensure that Iowa law is not contrary to federal legislation.

Motion: Commissioner Cole moved to approve the endorsement of the agency bill proposal regarding Reporting Requirements. Commissioner Donley seconded the motion which passed unanimously.

Human Resources Committee

Commission Chair Adams said the Commission is currently waiting on appointments for the board and said nominations and committee appointments will take place once the board appointments are made. Commission Chair Adams tabled the action item for the Human Resources Committee.

Staff Reports

Ms. Weems presented the FY10 Expenditure Summary.

Motion: Commissioner Donley moved to accept the FY10 Expenditure Summary as presented. Commissioner Denson seconded the motion which passed unanimously.

Mr. Brown gave a high level overview of the preliminary year end FY10 scholarship and grant recipients and expenditures for programs administered by the Commission. Mr. Brown then posed a question that the high level data did not answer – “Who are these recipients?” A summary of the Iowa Grant program was delivered, and recipients of the program were profiled in terms of median income, level of parent’s educational attainment, and receipt of non-financial aid related means tested benefits (food stamps, WIC, SSI, free or reduced price lunch, and TANF). The median income of 2009-10 Iowa Grant recipients was

compared to that of Iowa households in 2008. Parent level of education attainment was graphed in the following groupings: recipients with two parents that completed a college degree, recipients with one parent that completed a college degree, and recipients with neither parent attaining a college degree (or unknown). Finally, a graph was provided detailing the number of recipients whose family received one or more federal means-tested benefits.

Commission Adjourned at 3:13 p.m.

JANET ADAMS, CHAIR

TIMOTHY COLE, VICE CHAIR

IOWA COLLEGE STUDENT AID COMMISSION

Executive Director's Report September 2010

EverFi Visit

Tom Davidson, CEO of EverFi, Inc., will be visiting Iowa to talk with potential partners and stakeholders to assist Iowa College Student Aid in getting the financial literacy platform off and running next month. Mr. Tom Davidson and Ms. Emily Finkelstein will be here September 20th-22nd to speak with folks from the Governor's Office, the Iowa Department of Education, AEAs across the state, as well as potential business partners to help grow this program at the local level.

Move Update

The agency continues to prepare for its move to the Iowa Building (former Mercy Capitol). In preparation for the move, we have scheduled two "cleaning" days in late September for staff to begin preparing the office space for move.

Staff recently met with the staff from DAS and the agency's move will begin on or around October 7 with the tear-down of cubicles. It is anticipated the move will last approximately twelve business days. During this time, we do not anticipate any significant service interruptions as we will be coordinating with IT services and utilizing the 4th Floor Conference room and temporary tables in various other areas of the agency for employee work stations.

After meeting with the staff from DAS, I anticipate the move will proceed smoothly, as the building renovation continues on-schedule. However, should any issues arise, staff will work closely with the DAS to determine the most appropriate solution (temporary or otherwise) to meet the needs of the agency.

IOWA COLLEGE STUDENT AID COMMISSION

**ETV and Opportunity Foster Care Grant Contract
September 2010**

RECOMMENDED ACTION:

Authorize the Executive Director to extend the agreement with the Iowa Department of Human Services for the administration of the Education Training Voucher (ETV) and Opportunity Foster Care Grant Program for the 10/1/2010 to 9/30/2011 term.

Background

The Iowa Department of Human Services (DHS) provides funding for one Commission staff member to administer the ETV and Opportunity Foster Care Grant Program. The agreement specifies the scope of work to be provided by DHS and the Commission in the administration of these programs. The agreement spans from 10/1/2009 to 9/30/2015, with annual options to extend the agreement.

First Amendment to the ETV and Opportunity Foster Grant Contract

This Amendment to Contract Number DCFS 09-127 is effective as of October 1, 2010 between the Iowa Department of Human Services (Agency) and Iowa College Student Aid Commission (Contractor).

Section 1: Amendment to the Contract

Language in Section 2.2 (Duration of Contract) shall be deleted in its entirety and in its place the following language substituted:

The term of this contract shall be October 1, 2010 through September 30, 2011, unless terminated earlier in accordance with the Termination section of this contract. The terms of this contract may be extended for three one-year renewal options.

Section 2: Ratification

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof.

Section 3: Authorization

Each party to this Amendment represents and warrants to the other that:

3.1 It has the right, power, and authority to enter into and perform its obligations under this Amendment.

3.2 It has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and this Amendment constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

Section 4: Execution

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

Contractor, Iowa College Student Aid Commission	Agency, Iowa Department of Human Services
Signature of Authorized Representative:	Signature of Authorized Representative:
Printed Name: Karen Misjak	Printed Name: Charles J. Krogmeier
Title: Executive Director	Title: Director
Date:	Date:

IOWA COLLEGE STUDENT AID COMMISSION

Shiloh University

Application for Exemption from Postsecondary Registration in Iowa September 2010

RECOMMENDED ACTION:

Approve the application for exemption from postsecondary registration for Shiloh University. As a condition of its exemption from registration under Iowa Code Chapter 261B, staff recommends that the Commission require Shiloh University to disclose on its admission application and prominently on its website that, presently, the University does not permit persons who are not congregants of the Living Word Fellowship to enroll in coursework that counts toward completion of a degree conferred by the University.

Background

Iowa Code Section 261B.11 provides for 12 exemptions from registration. Section 261B.11(8) authorizes an exemption for “schools and educational programs conducted by religious organizations solely for the religious instruction of leadership practitioners of that religious organization.” Shiloh University has applied for this exemption.

Shiloh University discloses that it is a non-profit postsecondary institution that provides instruction solely by distance education from its only physical location: 100 Shiloh Drive, Kalona, Iowa. Shiloh University’s chief executive officer is Chris Reeves. The University states in its exemption application that it offers a Bachelor of Arts Degree in Biblical and Pastoral Studies, a Master of Arts Degree in Biblical and Pastoral Studies, a Master of Arts Degree in Biblical and Theological Studies, and a Master of Divinity degree. The University also offers undergraduate non-degree and personal enrichment programs.

Shiloh University discloses that it is affiliated with the Living Word Fellowship churches. An excerpt from the University’s admission application, which was included with its Chapter 261B exemption application, asks the admission applicant to disclose whether he or she is a member of a Living Word Fellowship church, the length of membership, the name, address, and telephone number of the Living Word Fellowship church, the name of the church pastor, and whether the applicant is ordained (although ordination is not a requirement for admission). The University’s admission application does not disclose that it only enrolls congregants of the Living Word Fellowship church. Shiloh University submitted with its application a concise admission procedure that is intended to ensure that only members of

the Living Word Fellowship are admitted. Applicants for admission must obtain a letter of recommendation from the pastor of a Living Word Fellowship church. During the University's Admissions Review Committee evaluation of an applicant, the Committee determines whether the applicant has substantiated that he or she is a congregant of the Living Word Fellowship.

Commission staff has independently verified the following facts that are pertinent to Shiloh University's eligibility for the claimed exemption:

- The Living Word Fellowship is a bona fide, organized, religious entity with affiliated churches in California, Hawaii, Colorado, Iowa, Maryland, Oregon, and in the countries of Brazil, Canada, and Mexico.
- There is a clear relationship between the University and the Living Word Fellowship:
 - The church affiliated with the Living Word Fellowship in Iowa is located at the same address as Shiloh University: 100 Shiloh Dr., Kalona IA.
 - The chief executive officer of Shiloh University, Chris Reeves, is acknowledged by the Living Word Fellowship as an experienced manager and elder.
- Direct contact with the Internal Revenue Service (877-829-5500) substantiates that Shiloh University is formally recognized as an entity eligible for exemption from federal taxation under Internal Revenue Code Section 501(c)(3).
- Shiloh University has a current registration, #333577, with the Iowa Secretary of State as a domestic non-profit entity.
- Shiloh University's on-line application for admission screens applicants to ensure that they are congregants in the Living Word Fellowship.

Conclusions

Shiloh University qualifies for the claimed exemption because it is affiliated with a bona fide, organized religious entity, the Living Word Fellowship. The University exclusively offers degree programs with a religious emphasis that would be of interest to persons who aspire to or who currently fulfill ordained or lay leadership roles in the Living Word Fellowship. The University has a process to ensure that it offers its programs exclusively to congregants of Living Word Fellowship churches.

However, as a condition of its exemption from registration under Iowa Code Section 261B.11(8), staff recommends that the Commission require Shiloh University to disclose on its admission application and prominently on its website that, presently, the University does not permit persons who are not congregants of the Living Word Fellowship to enroll in coursework that counts toward completion of a degree conferred by the University.

Registration Note

Shiloh University indicates that it intends to apply for registration with the Commission in the next six months. At this time, Shiloh is working toward accreditation with an entity that is recognized by the U.S. Department of Education, and that has distance education within its recognized scope of accreditation.

IOWA COLLEGE STUDENT AID COMMISSION

Maharishi University of Enlightenment Application for Exemption from Postsecondary Registration in Iowa September 2010

RECOMMENDED ACTION:

Approve the application for exemption from postsecondary registration for Maharishi University of Enlightenment.

Background

Iowa Code Section 261B.11 provides for 12 exemptions from registration. Section 261B.11(12) authorizes an exemption for “not-for-profit colleges and universities established and authorized by city ordinance to grant degrees.” Maharishi University of Enlightenment has applied for this exemption.

Maharishi University of Enlightenment offers instruction at a single site, located at 1770 Brahmanand Saraswati Blvd., Suite 2D, Maharishi Vedic City, Iowa. The chief executive officer of the school is Dr. Margaret A. Custer. The University discloses in its application that it is a non-profit postsecondary institution eligible for exemption from federal taxation under Internal Revenue Service Code Section 501(c)(3).

The University attached to its application Maharishi Vedic City Ordinance 2009-1, entitled *To Establish and Authorize Maharishi University of Enlightenment* dated July 17, 2009. This document bears the raised seal of Maharishi Vedic City, Iowa, and what appear to be the original signatures of City Clerk Kathy Petersen and Mayor Robert G. Wynne. The ordinance states that Maharishi University of Enlightenment was established and authorized to grant degrees including B.A., M.A., and Ph.D degrees in Maharishi Vedic Science, as well as continuing education and nondegree courses.

Commission staff has independently verified the following facts that are pertinent to Maharishi University of Enlightenment’s eligibility for the claimed exemption:

- Direct contact with the Internal Revenue Service [(877) 829-5500] substantiates that Maharishi University of Enlightenment is eligible for an exemption from federal taxation under IRS Code Section 501(c)(3). The University is also listed in online IRS Publication 78 as an entity eligible to receive tax-deductible, charitable donations.

- Maharishi University of Enlightenment has an active Certificate of Authorization #261673 registered with the Iowa Secretary of State as a foreign non-profit entity.
- The Iowa Secretary of State <http://www.sos.state.ia.us/pdfs/MiscFilings/IncCities.pdf> substantiates that Maharishi Vedic City has been an incorporated city of the state of Iowa since November 13, 2001.

Conclusions

Maharishi University of Enlightenment qualifies for the claimed exemption because it is a non-profit postsecondary institution established for the purpose of granting postsecondary degrees by an ordinance of a recognized, incorporated Iowa city.

IOWA COLLEGE STUDENT AID COMMISSION

Maharishi Vedic University Application for Exemption from Postsecondary Registration in Iowa September 2010

RECOMMENDED ACTION:

Approve the application for exemption from postsecondary registration for Maharishi Vedic University.

Background

Iowa Code Section 261B.11 provides for 12 exemptions from registration. Section 261B.11(12) authorizes an exemption for “not-for-profit colleges and universities established and authorized by city ordinance to grant degrees.” Maharishi Vedic University has applied for this exemption.

Maharishi Vedic University offers instruction at 1750 Maharishi Center Avenue and 1675 Invincible America Avenue, Maharishi Vedic City, Iowa. The chief executive officer of the school is Dr. Robert G. Wynne. The University discloses in its application that it is a non-profit entity.

The University attached to its application a copy of Maharishi Vedic City Ordinance 2009-2, entitled *To Establish and Authorize Maharishi Vedic University as a Separate Non-Profit Corporation*, dated November 6, 2009. This document bears the signatures of City Clerk Kathy Petersen and Mayor Robert G. Wynne. The ordinance states that Maharishi Vedic University was established and authorized to grant degrees including associate, bachelors, masters, and doctoral degrees, and such other degrees, certificates, diplomas, and academic credentials, including honorary degrees. The University discloses in its application that it offers postsecondary degrees in the following 13 fields: Maharishi Vedic Science; Vedic Education; Vedic Health; Vedic Architecture; Vedic Agriculture; Vedic Economics; Vedic Defense; Science and Technology; Communication; Vedic Administration; Law and Order; Culture, Music, and Arts; and Political Science.

Commission staff has independently verified the following facts that are pertinent to Maharishi Vedic University’s eligibility for the claimed exemption:

- The University is an entity eligible to receive tax deductible, charitable donations and eligible for exemption from federal taxation under Internal Revenue Service (IRS)

Code Section 501(c)(3) [IRS online Publication 78, and GuideStar – an on-line resource for identifying IRS-recognized, tax-exempt organizations].

- Maharishi Vedic University has an active Certificate of Existence #38836 registered with the Iowa Secretary of State as a domestic non-profit entity.
- The Iowa Secretary of State <http://www.sos.state.ia.us/pdfs/MiscFilings/IncCities.pdf> substantiates that Maharishi Vedic City has been an incorporated city of the state of Iowa since November 13, 2001.

Conclusions

Maharishi University of Enlightenment qualifies for the claimed exemption because it is a non-profit postsecondary educational institution established for the purpose of granting postsecondary degrees by an ordinance of a recognized, incorporated Iowa city.

IOWA COLLEGE STUDENT AID COMMISSION

Tulsa Welding School Application for Postsecondary Registration in Iowa September 2010

RECOMMENDED ACTION:

Approve the application for postsecondary registration for Tulsa Welding School (TWS), with the stipulation that TWS accomplish all of the following to the satisfaction of Commission staff within 60 calendar days after September 17, 2010:

- **Finalize and implement a policy for the refund of institutional charges to Iowa residents that meets the requirements of Iowa Code Section 714.23.**
- **Finalize a policy to address institutional charges Iowa residents that meets the requirements of Iowa Code Section 261.9(1)(g). Iowa residents impacted by this policy are 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, who must withdraw because of a call to active state or federal military service or duty.**
- **Incorporate into the school's catalogue the policies required by Iowa Code Sections 714.23 and 261.9(1)(g).**
- **Provide an institutional refund that at least meets the requirements of Iowa Code Sections 714.23 or 261.9(1)(g), as applicable, to any Iowa resident that withdraws from a TWS program on or after the effective date of the Commission's TWS registration approval.**

Registration Purpose

Iowa Code Section 261B.3 requires registration of "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 or which has a presence in this state and offers courses in other states or foreign countries. . ." to register with the Commission. TWS is seeking registration in order to begin actively advertising and recruiting prospective students at Iowa high schools for enrollment at Tulsa Welding School campuses located in Tulsa, Oklahoma, and Jacksonville, Florida.

Background

TWS offers exclusively in-person instruction at two campuses. Its main campus is located at 2545 E. 11th St., Tulsa, OK, and its only branch campus is located at 3500 Southside Blvd., Jacksonville, FL. The chief executive officer of the school is Mary Kelly, 2915 Orchardpark Dr., Cincinnati, OH. TWS discloses in its application that it is a for-profit entity, owned by

Summer Street Capital II, LP, Michael McQueeney, 42 Chapin Parkway, Buffalo, New York. The school's Iowa contact person (for the purpose of receiving service in a civil action) is Mark E. Neiters, Berger Law Firm, P.C., Suite 1040, 7109 Hickman Rd., Des Moines, IA.

TWS offers three programs: a master welder diploma program, a structural welder diploma program, and an Associate of Occupational Studies in Welding Technology degree program. The master and structural welder programs are offered at both TWS campuses. The Associate of Occupational Studies in Welding Technology degree program is offered only at the TWS site in Tulsa, OK. The school provided Commission staff with documentation substantiating that all three programs are included in the school's institutional accreditation by the Accrediting Commission of Career Schools and Colleges of Technology (ACCSC). Tuition and fee charges for these programs are as follows:

Structural Welder -- \$9,394

Master Welder -- \$16,436

Associate of Occupational Studies in Welding Technology -- \$32,872

Registration Compliance

As required by Iowa Code Section 261B.4, TWS disclosed its policy on refunding institutional charges for withdrawn students by providing a copy of its July 1, 2010, student catalogue and catalogue addendum. While the specific conditions of a school's refund policy are not criteria for registration, Commission staff note that the current TWS institutional refund policy does not comply with the requirements of Iowa Code Section 714.23. 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 institutional charges to a student who withdraws from the school's program in an amount that at least meets the formula specified in Section 714.23. Commission staff brought the requirements of Iowa Code Section 714.23 to the attention of TWS compliance staff, who are cooperatively working with Commission staff to develop and implement an institutional refund policy for Iowa residents that meets this statutory requirement, and ensure that this policy is incorporated into the school's catalogue. TWS advises Commission staff that it will accomplish this requirement within 60 calendar days or earlier.

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) and (f) require the school to maintain and disseminate a drug and alcohol abuse policy that includes sanctions for violation of the policy and information about the availability of drug or alcohol counseling or rehabilitation. Iowa Code Section 261.9(1)(f) requires that the school 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. TWS complies with these requirements through disclosures provided in its catalogue, Student Code of Conduct, drug and alcohol abuse prevention policy, and campus security policy, all of which were provided to Commission staff for review.

- 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, who must withdraw from the school because of a call to active state or federal military duty or service. The school's catalogue dated July 1, 2010, and catalogue addendum do not include such a policy. Commission staff brought the specific requirements of Iowa Code Section 261.9(1)(g) to the attention of TWS compliance staff, who are cooperatively working with Commission staff to develop and implement an institutional refund policy for Iowa residents that meets this statutory requirement, and ensure that this policy is incorporated into the school's catalogue. TWS advises Commission staff that it will also accomplish this requirement within 60 calendar days or earlier.

On its registration application, TWS 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, 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 catalogue and catalogue addendum.

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

All physical records of a currently enrolled student are maintained in the student's file and stored in fire-proof, locked filing cabinets located in the Financial Aid Department. Electronic records such as attendance and grades are entered into the school's computer system and backed up daily. Storage media is kept in a fire-proof, locked filing cabinet in the Vice-President, School Director's office.

TWS provided contact information for an individual from each of its campuses that a student may contact for academic transcript information.

TWS employs two full-time employees who will work in Iowa as recruiters. Only one of these individuals, Mr. Jeffrey Fuchs, resides in Iowa. A review of Mr. Fuchs' resume indicates that

his educational and professional background qualify him for this assignment. Mr. Fuchs was educated at an Iowa community college in the vocational trades and he has prior professional experience as a technical trainer and program coordinator.

TWS 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.*" TWS currently discloses in its catalogue that it is registered with the Iowa Secretary of State, which is a true statement (see below under verifications). Commission staff believe that, provided a school does not claim "approval" or "accreditation" by the Secretary of State or the Commission, a school should be permitted to truthfully disclose its registration with the Iowa Secretary of State as an entity permitted to conduct business in the state. Further, Commission staff believe that a school serves the public's interests if it discloses that it is registered with the Commission, and provides contact information for the Commission to whom Iowa residents may direct inquiries or express concerns about the school. Commission staff request that the Commission permit this limited disclosure under the conditions described immediately above. Commission staff will work with TWS to ensure that the disclosure is appropriate.

TWS complied with the following additional registration requirements of administrative rules:

- TWS submitted copies of an audit conducted by an independent auditing firm, Grant Thornton, for the fiscal year ending September 30, 2009. The auditor's report dated November 2, 2009, states that while there were control deficiencies reported to TWS management, none of these deficiencies were considered material weaknesses. The auditing firm expressed its opinion that TWS's 2009 consolidated financial statements presented fairly, in all material respects, the school's financial position.

The auditor's report also provided information about the school's compliance with two standards of financial responsibility that must be met by a school that participates in the federal student aid programs:

- A school must maintain a composite score, based on a three factor financial responsibility ratio, of at least 1.5 in order to be determined "financially responsible." TWS management reports that its composite score is 1.9.
 - A for-profit institution is prohibited from deriving more than 90% of its revenue from Title IV aid. TWS management reports that it derives 72% of its revenue from Title IV aid.
- The school's catalogue, web site, and floor plans submitted with application materials provide sufficient substantiation that TWS maintains adequate learning resources and physical facilities for the school's programs.

- The school's catalogue provides sufficient information to substantiate that faculty (i.e., the Director of Training and Director of Welding Education) with an appropriate discipline are involved in developing and evaluating curriculum for the school's programs.
- The application includes a signed statement executed by the school's chief executive officer, Mary Kelly, attesting to the school's commitment to deliver, in their entirety, programs offered at both the Tulsa and Jacksonville campuses, and to find alternatives for students at the same or another institution should TWS close any program prior to the student's completion of the program.

Verifications

Commission staff independently verified the following facts that are pertinent to Tulsa Welding School's registration eligibility:

- TWS has an active Certificate of Authorization #353253 registered with the Iowa Secretary of State as a foreign, for-profit corporation.
- TWS discloses postsecondary registration or licensure in the states of Oklahoma, Arkansas, Kansas, Missouri, New Mexico, Nebraska, Texas, Louisiana, Alabama, Florida, Georgia, Kentucky, Tennessee, and Utah. Commission staff verified the existence of a current license or registration in good standing in each of these states, with the exception of New Mexico, who did not respond to a verification request. The Oklahoma Board of Private Vocational Schools reports that they are undergoing a license renewal process. While the TWS license in Oklahoma has expired, the school is considered to be in good standing at this time because a TWS renewal application was received timely.
- The federal Department of Education reports that both TWS campuses are currently accredited by the Accrediting Commission of Career Schools and Colleges of Technology, an accrediting agency that the federal Department of Education recognizes.
- The federal Department of Education reports that TWS is not subject to a limitation, suspension, or termination of its eligibility to participate in the federal student aid programs. However, the school is provisionally approved to participate in the federal student aid programs at this time. This provisional status appears to have been imposed when, after a change in ownership that occurred in 2008, the school's new owner was unable to provide two fiscal years of audited financial statements. The federal Department of Education required TWS to submit an irrevocable letter of credit in 2008. TWS must renew the letter of credit each year. If the school submits audited financial statements of the new owner's first complete fiscal year, and the school's financial strength and administrative capacity are acceptable, the letter of credit may

be decreased to 10%. When the school submits audited financial statements of the new owner's second complete fiscal year, the letter of credit may be released.

Additional Information

TWS 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.

- Federal Stafford Loan Cohort Default Rate (FFY 2007): 4.7%
 - FFY 2007 national average cohort default rate: 6.7%
- Average Debt Upon Graduation
 - Jacksonville campus (666 students): \$9,875.74
 - Tulsa campus (684 students): \$10,141.77
 - Institution-wide (1350 students): \$10,010.53
- Retention Rate (percentage of first-time students in fall 2008 who returned to the school to continue their studies in fall 2009)
 - Tulsa campus: 77%
 - Jacksonville campus: 63%
- Graduation rate (percentage of first-time, full-time students who graduated within 150% of the normal time for program completion)
 - Tulsa campus: 65%
 - Jacksonville campus: 57%
- Procedure for resolution of student complaints – detailed procedural information for students with complaints or grievances is provided in the school's catalogue.

Compliance with Iowa Code Section 714.18 – Evidence of Financial Responsibility

As an addendum to its registration application, TWS applied for an exemption from filing evidence of financial responsibility under Iowa Code Section 714.18. TWS claimed a trade or vocational school exemption under Iowa Code Chapter 714.22. Iowa Code Chapter 714.22 requires that the trade or vocational school submit evidence of a continuous, corporate surety bond in favor of the State of Iowa in the amount of \$50,000, or a CPA's sworn financial statement showing that the net worth of the school (or the school's parent company) is at least five times the amount of the bond. Commission staff believe TWS qualifies as a trade or vocational school, and the school has fulfilled the conditions of the claimed exemption by filing evidence of a bond in the requisite amount. Commission staff have separately approved the school's exemption claim.

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Iowa College Student Aid Commission

**Legislative Action Committee
September 2010**

The Legislative Action Committee will meet prior to the Commission Meeting and will provide a report during the September 17, 2010 Commission Meeting.

Iowa College Student Aid Commission
Human Resources and Nominations Committee
September 2010

The Human Resources and Nominations Committee will meet prior to the Commission Meeting and provide a report during the September 17, 2010, Commission Meeting.

**IOWA COLLEGE STUDENT AID COMMISSION
GUARANTEED STUDENT LOAN ADMINISTRATION
SUMMARY OF RESOURCES AND EXPENDITURES
SFY 2010 as of June 30, 2010 (mth 14 pre-close)**

Operating Fund	FY 2010 Operating Budget	FY 2010 Year to Date Budget	FY 2009 Jun-09 Mth Actual (14)	FY 2010 Jun-10 Mth Actual (14)	FY 2009 Year to Date Actuals	FY 2010 Year to Date Actuals	YTD Actual to Budget Variance
Revenues/Resources:							
Federal Account Maintenance Fees	2,494,131	2,494,131		522,725	2,377,748	2,315,367	(178,764)
Federal Loan Processing Fee	2,645,513	2,645,513	447,856	198,717	2,828,852	2,429,170	(216,343)
Default Aversion Fees (DAF) (Net of rebates)	899,683	899,683	51,595	100,964	775,495	800,266	(99,417)
ICSAC Share Default Collections	4,006,460	4,006,460	888,709	496,016	5,761,423	9,429,272	5,422,812
Direct Loans Cons. (Net of 8.5% back to Fed Gov)	1,873,694	1,873,694	-	-	2,062,259	2,117,537	243,843 *
Refunds (microsoft settlement)	1	1	-	-	-	2,194	2,193
Interest on Operating Fund	324,549	324,549	21,668	4,523	491,241	141,718	(182,831)
Other Revenue (includes TOP, osteo,iowa access,regist)	147,000	147,000	9,382	21,498	242,800	1,068,199	921,199
Est PLP Rev	342,000	342,000	(849)	0	339,779	272,046	(69,954) *
Total Revenues/Resources	\$ 12,733,031	\$ 12,733,031	\$ 1,418,361	\$ 1,344,444	\$ 14,879,597	\$ 18,575,770	\$ 5,842,739
Expenditures:							
Personal Services - Loan Administration	3,685,170	3,685,170	-	997	3,336,384	3,170,001	(515,169)
Personal Services - Choices	142,596	142,596	-	-	130,491	122,711	(19,885)
Travel	116,232	116,232	-	104	122,116	80,024	(36,208)
Office Supplies	37,900	37,900	252	(12,300)	37,328	29,038	(8,862)
Equipment Repairs	8,500	8,500	-	-	4,418	2,255	(6,245)
Printing and Binding	208,500	208,500	-	(157)	120,313	146,199	(62,301)
Postage	48,350	48,350	4	-	50,468	28,316	(20,034)
Communications	52,247	52,247	369	5	55,429	53,987	1,740
Rentals	171,343	171,343	-	1,964.80	174,010	176,964.72	5,622
Professional & Scientific Services	25,000	25,000	-	4,887.50	123,080	40,436.30	15,436
Outside Services - SLMA	1,954,217	1,954,217	-	-	2,007,118	1,415,816	(538,401)
Outside Services - iLink	507,675	507,675	-	-	240,337	371,587	(136,088)
Outside Services - SLCS	983,487	983,487	-	52,908	746,309	639,056	(344,431)
Outside Services - Other	78,350	78,350	108	(659)	146,372	68,845	(9,505)
Intra-State Transfers	-	-	-	5	-	680	680
Advertising & Publicity	269,555	269,555	-	(3,400)	245,797	180,666	(88,889)
Attorney General	14,100	14,100	-	-	14,620	13,996	(104)
State Audits	32,900	32,900	5,321	3,452	28,631	26,320	(6,580)
State Reimbursements	31,205	31,205	(12)	132	21,417	19,740	(11,465)
ITE Reimbursements	196,821	196,821	(12)	-	196,889	145,385	(51,436)
Office Equipment	2,500	2,500	-	-	7,402	2,152	(348)
IT Equipment & Software	86,179	86,179	187	-	248,560	40,455	(45,724)
Equipment	-	-	-	-	-	-	-
Other Expenses & Obligations	519,975	519,975	-	(638)	21,120	24,814	(495,161)
Other Refunds	200	200	-	-	-	24,538	24,338
Licenses & Other Expenses - Choices	1	1	-	-	170,270	-	(1)
State Aid	1,680,000	1,680,000	-	-	-	1,680,000	-
Total Administrative	\$ 10,853,003	\$ 10,853,003	\$ 6,219	\$ 47,301	\$ 8,248,878	\$ 8,503,984	\$ (2,349,019)
Collection Expense	3,125,893	3,125,893	1,155	10,314	3,448,595	6,773,781	3,647,888
Collection Expense - PLP	33,135	33,135	-	271	14,328	12,081	(21,054)
Total Collection Expenses	\$ 3,159,028	\$ 3,159,028	\$ 1,155	\$ 10,586	\$ 3,462,924	\$ 6,785,862	\$ 3,626,834
Total Operating Expenses	14,012,031	14,012,031	7,374	57,887	11,711,802	15,289,846	1,277,814
Federal Default Fee	6,613,782	6,613,782	-	-	6,832,885	5,319,806	(1,293,976)
Total Federal Default Fee	\$ 6,613,782	\$ 6,613,782	\$ -	\$ -	\$ 6,832,885	\$ 5,319,806	(1,293,976)
Total Expenditures	\$ 20,625,813	\$ 20,625,813	\$ 7,374	\$ 57,887	\$ 18,544,687	\$ 20,609,652	\$ (16,161)
Net Gain(Loss)Operating Fund	\$ (7,892,782)	\$ (7,892,783)	\$ 1,410,987	\$ 1,286,557	\$ (3,665,090)	\$ (2,033,882)	\$ 5,858,900

*Estimated

10-09-F1

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

**IOWA COLLEGE STUDENT AID COMMISSION
SCHOLARSHIP & GRANT ADMINISTRATION
SUMMARY OF EXPENDITURES
SFY 2010 - June 30, 2010 (FINAL)**

	<i>FY 2009</i>	<i>FY 2010</i>	<i>*Revised</i>	<i>FY 2010</i>	<i>FY 2010</i>	<i>Variance</i>
	<i>Actual</i>	<i>Budget</i>	<i>FY2010</i>	<i>Year to Date</i>	<i>Year to Date</i>	<i>Over</i>
			<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>(Under)</i>
Expenditures:						
Salaries	\$ 301,113	\$ 306,112	\$ 263,983	\$ 263,983	\$ 270,410	\$ 6,427
Travel	3,115	5,130	5,130	5,130	\$ 493	\$ (4,637)
Office Supplies	2,855	2,000	2,000	2,000	\$ 1,845	\$ (155)
Equipment Repairs	234	200	200	200	\$ 135	\$ (65)
Printing	1,095	700	700	700	\$ 1,757	\$ 1,057
Postage	6,016	3,500	3,500	3,500.00	\$ 4,703	\$ 1,203
Communications	2,865	2,219	2,219	2,219	\$ 2,013	\$ (206)
Rental	17,588	14,900	14,900	14,900	\$ 15,718	\$ 818
Outside Services	1,077	1,345	1,345	1,345	\$ 1,062	\$ (283)
State Reimbursements/Other	7,618	2,852	2,852	2,852	\$ 1,593	\$ (1,259)
ITD Reimbursements	32,602	4,663	4,663	4,663	\$ 7,336	\$ 2,673
Office Equipment	49	150	150	150	\$ 10	\$ (140)
IT Equipment & Software	4,832	5,560	5,560	5,560	\$ 171	\$ (5,389)
Other Expenses & Obligations	-	50	50	50	\$ 6	\$ (44)
Total Expenditures	\$ 381,061	\$ 349,381	\$ 307,252	\$ 307,252	\$ 307,251	\$ (1)

*due to 10% across the Board cut and Furlough Adjustment

**IOWA COLLEGE STUDENT AID COMMISSION
 DEFAULT PREVENTION, FUND #0261
 SUMMARY OF RESOURCES AND EXPENDITURES
 SFY 2010 as of June 30, 2010 (mth 14 pre close)**

	FY 2010 Budget	FY 2010 Year to Date Budget	FY 2010 Year to Date Actuals	Variance
Resources:				
Interest	\$ 31,272.00	\$ 31,272.00	\$ 14,569.24	\$ (16,702.76)
Refunds & Reimbursements	\$ 1,000.00	\$ 1,000.00	0.00	\$ (1,000.00)
Total Resources	\$ 32,272.00	\$ 32,272.00	\$ 14,569.24	\$ (17,702.76)
 Expenditures:				
In State Travel	\$ 2,712.00	\$ 2,712.00	0.00	\$ (2,712.00)
Out of State Travel	\$ 3,410.00	\$ 3,410.00	0.00	\$ (3,410.00)
Office Supplies	\$ 500.00	\$ 500.00	\$ 101.96	\$ (398.04)
Printing & Binding	\$ 5,000.00	\$ 5,000.00	0.00	\$ (5,000.00)
Outside Services	\$ 100.00	\$ 100.00	0.00	\$ (100.00)
Advertising & Publicity	\$ 2,500.00	\$ 2,500.00	0.00	\$ (2,500.00)
ITD Reimbursement	\$ 100.00	\$ 100.00	0.00	\$ (100.00)
IT Equipment & Software	\$ 25,000.00	\$ 25,000.00	0.00	\$ (25,000.00)
Aid to Individuals	\$ 103,500.00	\$ 103,500.00	\$ 42,022.51	\$ (61,477.49)
Total Expenditures	\$ 142,822.00	\$ 142,822.00	\$ 42,124.47	\$ (100,697.53)
 Net Gain(Loss)	 \$ (110,550.00)	 \$ (110,550.00)	 \$ (27,555.23)	 \$ 82,994.77

*Annual transfer to Choices approved by USDE in letter dated 2/7/06

Default Prevention Fund Balance 6/30/09	\$ 1,977,231.12
**Estimated Net Loss SFY 2010 06/30/10	<u>\$ (27,555.23)</u>
**Estimated Fund Balance 06/30/10	\$ 1,949,675.89

**Estimated due to cash basis, no adjustments made for accrued expenses or revenues

**IOWA COLLEGE STUDENT AID COMMISSION
GUARANTEED STUDENT LOAN ADMINISTRATION
SUMMARY OF RESOURCES AND EXPENDITURES
SFY 2011 as of August 31, 2010**

Operating Fund	FY 2011 Operating Budget	FY 2011 Year to Date Budget	FY 2010 Aug-10 Mth Actual	FY 2011 Aug-10 Mth Actual	FY 2010 Year to Date Actuals	FY 2011 Year to Date Actuals	YTD Actual to Budget Variance
Revenues/Resources:							
Federal Account Maintenance Fees	1,741,625	-	-	-	-	-	-
Federal Loan Processing Fee	-	-	-	-	-	-	-
Default Aversion Fees (DAF) (Net of rebates)	466,937	38,911	48,995.00	-	48,995.00	-	(38,911)
ICSAC Share Default Collections	5,024,068	-	505,162	-	505,162	-	-
Direct Loans Cons. (Net of 8.5% back to Fed Gov)	2,365,361	394,227	223,087	267,480	704,270	559,817	165,590 *
Iowa Access Grants Funds	189,000	-	-	-	-	-	-
Interest on Operating Fund	127,500	0	0.00	0.00	0.00	0.00	-
Other Revenue (includes TOP)	865,000	72,083	5,388	1,475	9,570	2,265	(69,819)
Est PLP Rev	263,046	43,841	21,256	55,389	41,565	73,995	30,154 *
Total Revenues/Resources	\$ 11,042,537	\$ 549,063	\$ 803,888	\$ 324,344	\$ 1,309,562	\$ 636,076	\$ 87,014
Expenditures:							
Personal Services - Loan Administration	3,057,733	421,756	263,513	234,044	456,023	393,323	(28,433)
Personal Services -Choices	-	-	10,818	-	18,545	-	-
Travel	93,722	15,620	(24)	(13,450)	3,328	(13,243)	(28,864)
Office Supplies	33,675	5,613	1,212	15,781	13,630	15,905	10,293
Equipment Repairs	3,500	292	0.00	0.00	0.00	0.00	(292)
Printing and Binding	104,669	17,445	57,028	12,897	57,829	12,962	(4,483)
Postage	24,908	4,151	2,933	2,139	2,996	2,229	(1,922)
Communications	46,648	7,775	4,284	3,205	5,363	4,222	(3,552)
Rentals	84,696	14,116	14,331	14,165	28,662	28,330	14,214
Professional & Scientific Services	44,500	7,417	1,785	1,872	1,785	1,872	(5,545)
Outside Services - SLMA	1,784,026	148,669	261,476	123,933	261,476	123,933	(24,736)
Outside Services - iLink	-	-	-	-	-	-	-
Outside Services - SLCS	445,000	37,083	54,698	53,784	54,698	53,784	16,701
Outside Services - Other	459,003	38,250	5,331	2,533	5,659	2,533	(35,717)
Intra-State Transfers	-	-	675	-	675	-	-
Advertising & Publicity	130,475	10,873	8,815	8,467	20,184	9,995	(878)
Attorney General	14,100	1,175	(104)	(75)	(104)	(75)	(1,250)
State Audits	27,200	2,267	(207)	(175)	(207)	(175)	(2,442)
State Reimbursements	25,185	2,099	3,730	3,539	3,730	3,539	1,440
ITE Reimbursements	261,275	21,773	6,144	31,434	6,144	31,434	9,661
Equipment	5,000	417	0.00	42	0.00	42	(374)
Office Equipment	-	-	-	0.00	-	0.00	-
IT Equipment & Software	34,900	2,908	1,504	52	1,504	160	(2,749)
Other Expenses & Obligations	28,958	2,413	21,115	727	21,907	727	(1,686)
Other Refunds	-	-	-	-	175	-	-
State Aid	1,680,000	-	-	-	0.00	-	-
Total Administrative	\$ 8,389,173	\$ 762,111	\$ 719,054	\$ 494,915	\$ 964,000	\$ 671,497	\$ (90,614)
Collection Expense	4,920,244	820,041	551,333	528,462	680,016	795,910	(24,131)
Collection Expense - PLP	12,000	2,000	835	-	835	-	(2,000)
Total Collection Expenses	\$ 4,932,244	\$ 822,041	\$ 552,169	\$ 528,462	\$ 680,851	\$ 795,910	\$ (26,131)
Total Operating Expenses	13,321,417	1,584,152	1,271,223	1,023,377	1,644,852	1,467,407	(116,744)
Federal Default Fee	1	1	756,110	26,858	756,110	26,858	26,857
Total Federal Default Fee	\$ 1	\$ 1	\$ 756,110	\$ 26,858	\$ 756,110	\$ 26,858	26,857
Total Expenditures	\$ 13,321,418	\$ 1,584,153	\$ 2,027,333	\$ 1,050,235	\$ 2,400,962	\$ 1,494,265	\$ (89,887)
Net Gain(Loss)Operating Fund	\$ (2,278,881)	\$ (1,035,090)	\$ (1,223,445)	\$ (725,890)	\$ (1,091,399)	\$ (858,189)	\$ 176,901

*Estimated

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

10-09-F4

**IOWA COLLEGE STUDENT AID COMMISSION
SCHOLARSHIP & GRANT ADMINISTRATION
SUMMARY OF EXPENDITURES
SFY 2011 - August 31, 2010**

	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2011</i>	<i>FY 2011</i>	<i>Variance</i>
	<i>Actual</i>	<i>Budget</i>	<i>Year to Date</i>	<i>Year to Date</i>	<i>Over</i>
			<i>Budget</i>	<i>Actual</i>	<i>(Under)</i>
Expenditures:					
Salaries	\$ 270,410	\$ 280,401	\$ 38,676	\$ 32,153	\$ (6,523)
Travel	\$ 493	1,569	131	25	(106)
Office Supplies	\$ 1,845	2,000	167	1,055	888
Equipment Repairs	\$ 135	200	17	0.00	(17)
Printing	\$ 1,757	1,500	125	186	61
Postage	\$ 4,703	3,500	292	236	(55)
Communications	\$ 2,013	1,500	125	154	29
Rental	\$ 15,718	8,353	696	2,794	2,098
Outside Services	\$ 1,062	500	42	16	(25)
State Transfers	\$ -	75	13	0.00	(13)
State Reimbursements/Other	\$ 1,593	1,500	125	394	269
ITD Reimbursements	\$ 7,336	6,995	1,166	1,440	275
Office Equipment	\$ 10	200	17	0.00	(17)
IT Equipment & Software	\$ 171	2,500	208	0.00	(208)
Other Expenses & Obligations	\$ 6	50	4	0.00	(4)
Total Expenditures	\$ 307,251	\$ 310,843	\$ 41,802	\$ 38,453	\$ (3,349)

*due to 10% across the Board cut and Furlough Adjustment

IOWA COLLEGE STUDENT AID COMMISSION
Historical Appropriations and Staff Recommendation for FY 2012

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>Staff Recommendation for FY 2012</u>
College Student Aid Commission Administration	364,640	376,053	376,053	376,802	314,443	310,843	310,843
Iowa Grant Program	1,029,784	1,029,784	1,070,976	1,070,976	981,743	848,761	848,761
DSM University-Osteopathic Loans	50,000	100,000	100,000	100,000	91,668	79,251	79,251
DSM University-Physician Recruit.	346,451	346,451	346,451	341,254	281,539	270,448	270,448
National Guard Benefits Program	3,725,000	3,725,000	3,800,000	3,742,629	3,841,903	3,186,233	3,186,233
Teacher Shortage Forgivable Loan and Loan Forgivene	285,000	285,000	485,400	478,119	438,282	421,016	421,016
All Iowa Opportunity Foster Care Grant Program					618,759	594,383	594,383
All Iowa Opportunity Scholarship Program	-	-	1,500,000	3,940,000	2,502,537	2,403,949	2,403,949
College Work-Study	140,000	140,000	295,600	99,925	0	0	0
Vocational Technical Tuition Grant	2,533,115	2,533,115	2,783,115	2,741,368	2,512,958	2,413,959	2,413,959
Tuition Grant Program-Standing	49,673,575	46,506,218	48,373,718	49,322,612	42,491,762	44,013,448	44,013,448
Tuition Grant - For-Profit	-	5,167,358	5,374,858	5,441,985	4,489,705	4,650,487	4,650,487
Nurse Loan Repayment				98,500	90,293	86,736	86,736
Chiropractor Loan Repayment				100,000	20,000	0	0
Cosmetology/Barber Grants				50,000	45,835	39,626	39,626
Washington DC Internships				100,000	0	0	0
Total College Aid Commission	\$ 58,147,565	\$ 60,208,979	\$ 64,506,171	\$ 68,004,170	\$ 58,721,427	\$ 59,319,140	\$ 59,319,140



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