

Iowa College Student Aid Commission

Postsecondary Registration Administrator
603 East 12th Street, FL 5th
Des Moines, IA 50319
(515) 725-3470

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 prior to the school commencing instruction which would bring the school under the registration requirement. Regular renewal is not required, but a school's financial security must be kept current, and a school which uses material not on file may be subject to civil or criminal liability.

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.

PART C - PROGRAMS/TUITION/POLICIES

4. Enclose a copy of any catalog, prospectus, brochure or other advertising material intended for distribution in Iowa.
Enclosed is an *LRU Catalog*.

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.)
See attached "Tuition Fees, Technology Fees, and Book Charges 2012-2013" – Appendix 3.

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.)
See attached named "Refund Policy" – Appendix 2.

PART D - FINANCIAL SECURITY

7. Is the school either:
1) a school for cosmetology arts and sciences licensed under *Iowa Code §157.8*; or
2) a barber school licensed under *Iowa Code §158.7*?

Yes. Attached is a copy of the license *and* one of the following:

Security Option 1 - A copy of a continuous corporate security bond in the sum of \$ _____ (fill in amount from *attached worksheet - Form IS-1A*) payable to the state of Iowa conditioned upon the faithful performance of all contracts and agreements with students. (See instructions for sample bond language.)

Security Option 2 - A letter of credit from a bank in the sum of \$ _____ (fill in amount from *attached worksheet - Form IS-1A*) conditioned upon the faithful performance of all contracts and agreements with students.

No. 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.) – See attached Appendix 11 & Appendix 12

8. Attach a copy of the organization's Certificate of Existence or Certificate of Authority, whichever is applicable. See enclosed Certificate of Authority from GA, Certificate of Incorporation from FL, and Certificate of Authority from Iowa.

PART E – SIGNATURE

Applicant Organization's Chief Executive Officer

Dr. James Flanagan
Name


Signature

President
Title

January 24, 2013
Date

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