

IOWA COLLEGE STUDENT AID COMMISSION

MINUTES OF MEETING

July 15, 2011

10:00 a.m.

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

Members Present:

Janet Adams	Rob Denson
Crystal Ford	Ron Jorgensen
Terrence Martin	Fred Moore
Herman Quirnbach	Doug Shull
Roger Utman	Cindy Winckler

Members Absent:

Bob Donley	Randy Feenstra
Shazia Manus	Kelli Todd

Staff Present:

Nancy Ankeny	Todd Brown
Misty Burke	Heather Doe
Deb Krueger	Julie Leeper
Jesse Martinez	Karen Misjak
Dan Powers	Bobbi Pulley
Carolyn Small	Ashley Wendt

Attorney General Present:

David Van Compernelle

Guests Present:

Sarah Albertson	ME&V
Carol Burnhart	Guest
Chuck Fiegen	Iowa Cosmetology Schools
Carol Glass	Grand Canyon University
Marc Hendel	Iowa Student Loan
Janine Hicks	University of St. Francis
Michelle Metzinger	Presentation College
Gary Steinke	Private Colleges
Dee Vandeventer	ME&V

Call to Order

The Iowa College Student Aid Commission met for a regularly scheduled meeting on July 15, 2011. Commissioner Adams called the meeting to order at 10:04 a.m. with a quorum present.

Minutes of Meeting

Motion: Commissioner Utman moved to approve the May 20, 2011 Meeting Minutes as written. Commissioner Moore seconded the motion which passed unanimously.

Executive Director's Report

Ms. Misjak said that the U.S. Department of Education (USDE) issued a Federal Register inviting guaranty agencies to submit proposals to participate in a Voluntary Flexible Agreement (VFA). The purpose of the VFA's is to better identify a way to provide services across their states. Ms. Misjak added that guaranty agencies that are currently performing both default prevention and collections are considered to have a conflict of interest and they may not submit a VFA that includes both services. The Commission has decided to submit a VFA with 4 other Sallie Mae users and if the VFA is signed this will void all current agreements with the USDE. Ms. Misjak said that any of the guarantors could drop out of the agreement at any time.

Commissioner Jorgensen requested clarification that the Commission needs to submit an agreement by August 1, 2011, but the Commission does not necessarily need to sign it. Ms. Misjak responded that the USDE will negotiate with each agency and until an agreement is signed the agency is not committed to a VFA. If the Commission chooses not to sign the agreement then the current agreement with the USDE will remain status quo. Ms. Misjak said some guaranty agencies are not filing a VFA.

Commissioner Denson asked why some guaranty agencies are not filing a VFA. Ms. Misjak said that the way some guarantors are structured they do not feel they can.

Commissioner Quirnbach asked if the Commission has sufficient abilities to perform what is proposed in the VFA. Ms. Misjak said the USDE does not really know what they are looking for and agencies are submitting the VFAs to give them ideas to consider. In the proposal submitted, the Commission has the ability to perform collections, college access and outreach services.

Commission Chair Adams said more information regarding the VFA will be given during the Audit and Finance Committee Report.

Ms. Misjak shared a video from the Quantum Learning event that was held at Drake University the week of June 27- July 1. GEAR UP Iowa was one of the sponsors of this event. There were 35 GEAR UP Iowa students from Davenport, Des Moines, Ottumwa, Perry, and Waterloo in attendance. The students were very enthusiastic about this program.

Postsecondary Registration

Ms. Small presented Commissioners with a handout explaining criteria for an institution seeking approval by the Iowa State Board of Education for an educator preparation program offered in Iowa via distance education.

Postsecondary Registration- University of St. Francis

University of St. Francis is requesting postsecondary registration in the state of Iowa and does not have an Iowa based faculty member. Staff is requesting the Commissioners approve the request for postsecondary registration in the state of Iowa with a waiver of the full-time Iowa resident faculty member or program coordinator requirement of Iowa Administrative Rules. As a condition of registration, St. Francis University will provide Commission staff with the following updates per Iowa Code Section 261B.5:

- The University will provide a quarterly report to staff that lists all Iowa locations at which Iowans enrolled in online nursing degree programs will fulfill the clinical portion of their program.
- The University will notify staff within 90 days of the date that it hires an Iowa resident as an adjunct or full-time faculty member to provide instruction in the University's online programs or supervision in the clinical portion of the University's online nursing programs.
- The University's notification will include the faculty member's Iowa location (at minimum, city location), either business contact information (i.e., University telephone number and/or e-mail address) or information about how the University provides students with contact information for that faculty member, a brief description of the faculty member's credentials or experience, and the general topic of the courses that the faculty member teaches.

Motion: Commissioner Moore moved to approve the University of St. Francis' application for postsecondary registration in Iowa with a waiver of the full-time Iowa resident faculty member or program coordinator requirement of Iowa Administrative Rules with the afore mentioned condition. Commissioner Utman seconded the motion which passed unanimously.

Postsecondary Registration- Presentation College

Ms. Small said that Presentation College wishes to recruit students in the state of Iowa. This registration request will cover residential and online programs. Presentation College does have a full time faculty member in the state of Iowa. Staff is requesting approval of postsecondary registration for Presentation College.

Motion: Commissioner Utman moved to approve Presentation College's application for postsecondary registration in Iowa. Commissioner Martin seconded the motion which passed unanimously.

Postsecondary Registration- Grand Canyon University

Grand Canyon University is requesting postsecondary registration in Iowa. As a condition of registration, Grand Canyon University must notify staff per Iowa Code Section 261B.5 within 90 days of the University's approval of any Iowa location at which an online degree candidate will fulfill a practicum or internship requirement.

Motion: Commissioner Moore moved to approve Grand Canyon University's application for postsecondary registration in Iowa. Commissioner Denson seconded the motion which passed unanimously.

Focus Groups

Ms. Doe introduced Dee Vandeventer and Sarah Albertson from ME&V to present the findings from the recent focus groups. Ms. Vandeventer shared with Commissioners a summary of attendees, what was learned from the groups, and then gave 19 recommendations for staff to address. Commissioner Jorgensen requested a written response on the recommendations be prepared and given to Commissioners.

Website

Mr. Powers presented the new look of the Commission's website. The new design is more streamlined and represents the change in focus for the Commission. Mr. Powers thanked the website team for all of their time and hard work. A press release regarding the new look will go out in August in time for the new school year to begin.

Ms. Doe played a video that was put together by ME&V for the Commission. This video has been shared at some recent events.

Legislative Report

Ms. Leeper gave Commissioners a summary of the Commission related bills.

Audit and Finance Committee

Commissioner Utman said that on May 31, 2011, the U.S. Department of Education (USDE) released Federal Register Volume 76, Number 104 on May 31, 2011 inviting guaranty agencies to submit proposals to participate in Voluntary Flexible Agreements. Deadline for submission of the proposals is August 1, 2011. In response, the Audit and Finance Committee met in June and authorized the Executive Director to contract a consultant to evaluate the status of Iowa's

Federal Family Education Loan Program and the Commission's current and expected financial viability and to provide recommendations as to future actions necessary with regard to the Commission's FFELP portfolio. The Audit and Finance Committee is requesting that the full Commission ratify the Audit and Finance Committee's June 10, 2011, authorization of the Executive Director to contract with a consultant for these services.

Ms. Misjak said the VFA proposals will not be final until signed by the Commission. The submission of the VFA proposal is to provide the USDE with ideas from guaranty agencies concerning the future activities of those guaranty agencies. The Commission may choose not to sign a VFA agreement at any time during the process.

Commissioner Denson asked whether the contracted consultant is representing any of the other five guaranty agencies with which the Commission is submitting the VFA. Ms. Misjak said that, as far as she knows, the consultant is only representing the Commission.

Commissioner Moore requested that Commissioners be allowed to review the VFA proposal prior to its submission. Ms. Pulley said the final version of the VFA proposal will be sent to Commissioners. However, since it is being put together with five guarantors, it may be impossible to make any changes prior to submission. The Commission's section of the VFA proposal is only one small section and the Commission may withdraw at any time.

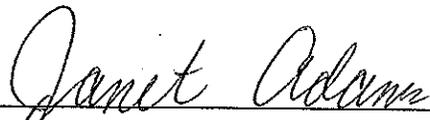
Commissioner Denson requested that a copy of the contract with the consultant be sent to Commissioners.

Motion: Commissioner Utman moved that the Commission ratify the Audit and Finance Committee's June 10, 2011, authorization for the Executive Director to sign a contract with a consultant to evaluate the status of Iowa's Federal Family Education Loan Program and the Commission's current and expected financial viability and to provide recommendations as to future actions necessary with regard to the Commission's FFELP portfolio. Commissioner Shull seconded the motion which passed with Commissioner Denson voting against.

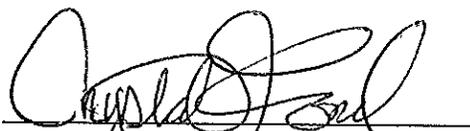
Staff Reports

Ms. Krueger presented the administrative budget and expenditure summary, and shared with Commissioners the Cost-Accounting system that has been put into place to allow reports of what each of our programs cost. Commissioner Moore gave credit to the Accounting team for the improvement of the financials.

Commission Adjourned at 12:43 p.m.



JANET ADAMS, CHAIR



CRYSTAL FORD, VICE CHAIR