

Policy 4.0(e) Title IV Program Responsibilities

Compliance Evidence

CSU understands and complies with the requirements for participation in the Title IV programs. The University is in good standing with the U.S. Department of Education (USDE) and remains eligible to participate in the Title IV programs.

1. General Program Responsibilities

CSU participates in Title IV programs, and specifically participates in Federal Pell Grants, Federal SEOG, Federal Perkins Loans, Federal Work-Study and Federal Direct Loans. The University complies with all applicable statutes, regulations and other guidance pertaining to the Title IV programs. This includes but is not limited to the Higher Education Reauthorization Acts as they occur and any supplemental legislation that is passed in between reauthorizations. The University ensures that the financial aid programs comply with all applicable state or federal laws that are not solely specific to financial aid.

Sufficient staffing and resources are made available in order to manage the programs in a way that is most beneficial to our students and ensures compliance. The fiscal capability of the University to manage the programs is demonstrated through the required annual independent audits by the University's external auditor. These audits generally do not have any material findings and the most recent audit for the year ending June 30, 2012 has no findings at all.

The first Federal Program Review since the 1980's was conducted in 2010. It identified three findings:

1. The University was unable to substantiate that all Federal Pell grant recipients who received a non-passing grade(s) in a course(s) had begun participation in the course and that all Federal Direct Loan and Federal Perkins Loan recipients who received a non-passing grade (s) in a course(s) had begun participation in at least one course. The University was required to review records for students in this situation and return funds for those for whom initial attendance could not be documented. The University verified appropriate participation in the course(s) for the vast majority of students in question and operating procedures were revised beginning with Fall 2010 to prevent future occurrences. A \$397,987 liability was paid to the U.S. Department of Education (USDE), but no other penalties were issued.
2. An oversight of untaxed income was identified in the University's verification of one student's aid application. The verification error was corrected and appropriate changes made to the student's Expected Family Contribution (EFC) and Federal Pell Grant award.
3. Crime Statistics were not consistently reported – There was a misunderstanding of how some statistics were to be reported. Staff from the USDE worked with the CSU Police Department in clarifying the definitions and subsequent updates will be correct. No liability was assessed.

No other follow up was required and the Federal Program Review is closed. The payment of this liability to the USDE did not have a significant impact on the financial health of the University.

Documents required for participation in Title IV programs are maintained by Student Financial Service. This includes documents such as:

- Program Participation Agreement (PPA)
- Eligibility and Certification Approval Report (ECAR)
- Fiscal Operations Report and Application to Participate (FISAP)
- Reports and agreements related to Quality Assurance Project

The University's Title IV status remains in good standing. The University was reapproved with full certification on September 11, 2012, and its Program Participation Agreement is in good standing with an expiration date of March 31, 2018.

2. Financial Responsibility Requirements

As part of the Colorado State University System (CSUS), CSU is included in the annual CSUS financial report. The CSUS is also a Component Unit of the State of Colorado and as such is included in the state's single audit required by OMB Circular A-133. The financial and single

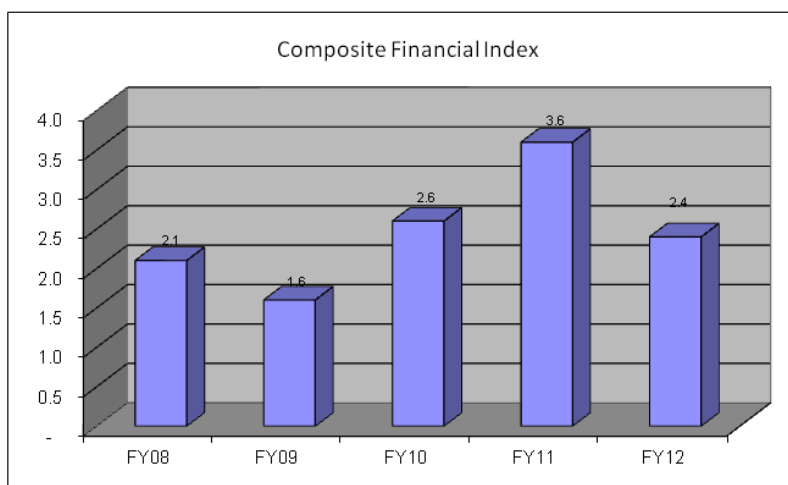
audits for fiscal year 2010-2011 found no matters involving the internal controls over financial reporting and operations with respect to any material weaknesses or significant deficiencies.

The CSUS has a set of fiscal rules, applicable to each of the entities comprising the CSUS, which provide guidance in specific areas of operation in ensuring that the CSUS remains compliant with state statutes. CSU, based upon these fiscal rules, has developed financial policies and procedures to ensure that CSU's assets are protected and used for appropriate purposes; the related transactions are subject to rigorous internal controls in keeping with any restrictions; and that the activities of CSU are reported accurately in accordance with GAAP and federal cost accounting standards such as OMB Circulars A-21 and A-110.

CSU has a decentralized accounting structure; therefore, a key component of its internal control structure is the training of department management and fiscal personnel in code of ethics, fiscal responsibilities, sponsored project administration, gift management, procurement, finance system use, and monthly financial report review. Moreover, CSU's administrative structure includes several offices whose charges include various aspects of fiscal policy compliance, including the CSUS's Office of Internal Audit, the Office of University Controller, and the Policy and Compliance Office. In addition, CSU's Offices of Sponsored Programs (OSP) and Student Financial Services (SFS) are charged with ensuring compliance with grant terms and restrictions.

CSU monitors its Composite Financial Index (CFI) score on an annual basis. The chart below shows the past five-year history of CSU's CFI, which is composed of four separate ratios: (1) Primary Reserve Ratio, (2) Net Operating Revenues Ratio, (3) Return on Net Assets Ratio and (4) Viability Ratio. For further information relating to these individual ratios, please see the appended Ratio Charts. These ratios are calculated using the consolidated results of CSU, CSU Foundation, and CSU Research Foundation.

In each of the years presented, the CFI has exceeded the floor of the Composite Index Zone in the "Above" category resulting in an outcome of "No Review" required. CSU has enjoyed steady improvement of this Index over the past few years. As a result of the significant drop in the stock market and unrealized losses in endowments and other investments in FY 2009, CSU's CFI dropped during that fiscal year. The FY11 ratio exceeded expectations due to units holding down expenditures in response to reductions in state funding. Although reductions continued into FY12, it was evident that the economy was beginning to improve, resulting in expenditures increasing to pre-FY11 levels.



3. Default Rates

Student loan default rates for CSU students are significantly below the national averages.

CSU Student Loan Default Rates				
	CSU 2-year Default Rate	National 2-year Default Rate	CSU 3-year Default Rate	National 3-year Default Rate
FY2010	2.9%	9.1%	TBA	TBA
FY2009	2.0%	8.8%	3.1%	13.4%
FY2008	2.0%	7.0%	3.3% (est)	Not available
FY2007	2.1%	6.7%	3.1% (est)	Not available
FY2006	1.9%	5.2%	Not available	Not available
FY2005	1.8%	4.6%	Not available	Not available

Default rates are calculated two years after a student goes into repayment, which is generally nine months after a student graduates or leaves school. Therefore, the current default rate available in June 2013 will be for the FY2010 cohort. The USDE is changing from a two-year to a three-year default rate beginning with FY2010. For FY2007 and FY2008, USDE provided estimates to institutions of their three-year rates.

Student Financial Services utilizes several precepts when awarding funds to students so that they do not take on excessive debt:

- Grants are directed to the neediest students, not just the first eligible students who apply.
- Students are offered scholarships, grants, and work-study jobs for which they may be eligible before being considered for loans.
- Students at all undergraduate class levels are awarded similarly, with knowledge that freshmen and sophomores have less capability to borrow and may need some additional grant funds to compensate for this.
- We try to keep students on only one loan program, when possible.
- Commitment-to-Colorado Awarding: We award undergraduate Colorado resident students who are Pell-eligible additional state and institutional grants to cover student share of base tuition and fees. Colorado resident undergraduate students who are not Pell-eligible, but whose family adjusted gross income is \$57,000 or less and meet other eligibility requirements, will receive grants to cover at least half of their share of base tuition.
- Federal Direct PLUS Loans are awarded to parents of dependent students rather than shifting that loan burden to the students (via an Additional Federal Direct Unsubsidized Loan) unless the parent is denied PLUS.
- Perkins Loans are awarded only to undergraduates, as funds are limited, and graduate students are more likely to have alternative resources.
- Health Professions Loans are awarded to qualified Professional Veterinary Medicine students who provide parental income information to the extent that available funds permit.

Student Financial Services utilizes the following strategies to minimize default on student loans:

- Loan Entrance Counseling is required through USDE website.
- Loan Calculators are provided on SFS website (Types of Aid/Loans/Calculators).
- Loan repayment charts are provided on SFS website (2012-2013 Your Financial Aid Guide, p. 16).
- Loan Summary sheets on RAMweb help students keep informed on their loan debt.
- We conduct loan debt discussions with students whose parents have been denied a Parent PLUS loan.
- We conduct loan debt discussions with students who are seeking additional loans.
- CSU's retention efforts help students graduate so they get jobs after they graduate and do not default on their loans.
- The SFS office makes personal efforts to contact students so they do not default on Federal Perkins or Health Professions loans.
- We require loan exit counseling during student's graduating semester through USDE website.
- We provide loan disclosure information on Health Professions Loans.
- We make available the Financial Literacy section on the SFS website.

4. Campus Crime Information, Athletic Participation and Financial Aid, and Related Disclosures

CSU abides by the requirements of the Clery Act to provide annual and timely notifications of campus crime information, it makes available consumer information in compliance with Title IV (and public disclosure requirements), and it carefully safeguards the rights of students in compliance with FERPA.

Campus Crime Information (Clery Act)

Colorado State University

The University's Police Department (CSUPD) publishes the annual *Fire and Safety Update and University Drug/Alcohol Policy* booklet (or "Clery Report"), containing campus crime statistics in compliance with the Clery Act, on its website. Samples of these annual disclosures are provided for review. The Clery Report is also distributed directly to all students, faculty and staff via their CSU email systems, as a special announcement in the "Today@Colorado State" bulletin. In addition, an e-mail with the disclosure information is sent by Student Financial Services directly to each enrolled student every semester. Hard copies of the booklet, as well as a shorter, summary pamphlet, are made available at many locations around campus. The Clery Report contains information that extends beyond the minimum requirements of Clery, in order to assure that students are fully informed about campus programs, policies, and resources. Links to the Clery Report and other campus safety information may be found on the CSUPD home page, the CSU Public Safety home page, or by searching "safety" on either the CSU home page or the Policy Library. In addition there will be a new section on campus safety/Clery in the Fall 2013 *General Catalog*.

Several specific notices required under Clery are also provided to students. The Missing Student Notification Policy provides that students who reside in campus housing will receive a Missing Student Notification Card when checking into the residence hall each semester, together with the Emergency Contact Card that the student is requested to complete in order to designate a person as a "confidential contact" to be notified in the event that the student is determined to be missing. The Timely Warning and Emergency Notification Policy provides that emergency notifications to campus of a serious or continuing threat to the campus community, or an immediate threat to the health and safety of students or employees that is occurring on the campus, will be communicated through email, Rave Alert (text messaging), Everbridge (Reverse 911), the CSU Emergency Telephone Network, and/or the Emergency Broadcast System, as appropriate. Emergency notices also include those related to severe weather emergencies and campus closures.

The most recent Title IV Program Review by the USDE was conducted in 2010 and included a finding related to the inaccurate reporting of crime statistics. A copy of the Program Review will be included in the Evidence Files. The finding stated that crime statistics were not consistently reported. There was a misunderstanding by staff in the CSU Police Department regarding how some of the statistics were to be reported. Staff from the USDE worked with the CSU Police Department to clarify the definitions, and subsequent updates will be correct. No liability was assessed.

5. Student Right to Know

Student/Consumer Information (Title IV, FERPA and other)

CSU annually publishes information of interest to students and parents, including notifications and information required to be published under Title IV. Notification of the availability and location of student/consumer information is sent by e-mail each semester to all enrolled students by Student Financial Services and made available directly through several institutional websites, and, where required, distributed in hard copy format. This information includes (but is not limited to):

Information	Location	Responsible Office
Process for Applying for Financial Aid	SFS website	SFS
Information Regarding Financial Assistance	Your Financial Aid Guide	SFS
Federal Family Education Loan (FFEL)/Direct Loan deferments for Peace Corps or Volunteer Service	Link on Registrar's website to Federal resource	SFS
General Information--Information related to tuition/fees and other costs, withdrawal from the University, refund policy, academic degree program requirements, calendar, grading standards, admissions requirements, scholastic standards, student services, facilities, accrediting agencies, study abroad, etc.	General Catalog	Curriculum & Catalog Office (Provost), Registrar/SFS
Resources for Individuals with Disabilities	Resources for Disabled Students website	Resources for Disabled Students
Retention & Completion/Graduation Rate of Students	Institutional Research (select Student Success)	Institutional Research
Placement Rates of Graduates	Career Center website	Career Center
Financial Aid Policy for Unofficial Withdrawals	SFS website (select Applying for Financial Aid, Financial Aid Eligibility, Maintain Satisfactory Academic Progress and Satisfactory Academic Progress)	SFS
Textbook Information	Linked from each student's online class schedule	CSU Bookstore
Student Rights under FERPA (Family Education Rights and Privacy Act)	General Catalog (1.6, p. 5)	Registrar
Equity in Athletics Data Analysis (Title IX)	U.S. Department of Education EADA	Department of Athletics
Voter Registration Information	Federal Larimer County	
Faculty Roster	Institutional Research website	Institutional Research

Additional evidence is provided in Component 2.B.

6. Satisfactory Academic Progress and Attendance Policies

CSU has a financial aid policy regarding Satisfactory Academic Progress that is in compliance with Title IV program requirements. Student Financial Services (SFS) informs students about the policy by publishing a chart of Satisfactory Progress Information each year on the SFS website (Applying for Aid/Financial Aid Eligibility). The policy requires students to satisfactorily complete 75% of their attempted credits, and to complete their degree in the maximum timeframe permitted. Undergraduates must have a 2.0 cumulative GPA when they reach 60 completed credits; graduate students must have a minimum 3.0 cumulative GPA; seniors with more than 150 credits must be within two semesters of graduation; graduate students who have exceeded the credits proposed on their GS6 must be within two semesters of graduation; and all students may not have withdrawn from the University more than once. The chart also explains how students may regain eligibility and the deadlines for specific actions.

CSU is not required to take attendance under Title IV regulations, however, there are several University policies related to attendance:

- Guidance regarding class attendance and accommodation of students' participation in University-sanctioned activities is published in the *General Catalog* (section 1.7, p. 12).
- The University policy regarding the academic consequences of officially withdrawing from the University and the timing of those actions is published in the *General Catalog* (section 1.7, p. 10-12).
- The Financial Aid Policy for Unofficial Withdrawals describes financial aid adjustments and other actions taken when a federal aid recipient never begins attendance or unofficially withdraws. Information regarding this policy is published on the SFS website (2012-2013 Your Financial Aid Guide, p. 22).
- The Official Withdrawal Policy describes financial aid adjustments and other actions taken when a federal aid recipient officially withdraws from the University. Information on this policy is published on the SFS website (2012-2013 Your Financial Aid Guide, p. 23).

7. Contractual Relationships

CSU does not participate in any contractual relationships, as defined by HLC policy, that require notification or approval.


















8. Consortial Relationships

CSU participates in two consortial relationships, as defined by HLC policy, that have been approved (additional information is provided in Component 3.A.3):

- CSU has one face-to-face delivered consortial program (MA in English) that is offered off-campus at CSU-Pueblo. The details of this consortial arrangement are described in the application submitted in 2011 and subsequently approved by HLC in 2012.
- The other consortial program that CSU participates in with 12 universities is the Great Plains

Interactive Distance Education Alliance (GP-IDEA) for the purpose of offering the Merchandising and Dietetics master's programs. The details of this consortial arrangement are described in the application submitted in 2012 and subsequently approved by HLC in 2012.

Sources

-  1. 6 - Policies and Guiding Principles (Page 5)
-  1. 7 - Advising and Registration (Page 10)
-  1. 7 - Advising and Registration (Page 12)
-  Career Center
-  CSU CSU-P MA English Consortium Application
-  CSU GP-IDEA Consortium Application
-  CSUS Audit 2007
-  CSUS Audit 2008
-  CSUS Audit 2009
-  CSUS Audit 2010
-  CSUS Audit 2011
-  CSUS Audit 2012
-  Financial Ratio Charts
-  Fire and Safety Update 2012
-  Grace Periods, Deferment & Forbearance
-  HLC approval of CSU GP-IDEA Consortium
-  HLC approval of CSU-Pueblo MA English Consortium
-  Institutional Research
-  Resources for Disabled Students
-  Student Financial Services
-  US Department of Education EADA
-  Voter Registration, Federal
-  Voter Registration, Larimer County