

Southern Ute Indian Tribe

Education Department



Scholarship Application Packet For Non-Profit Institutions

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Southern Ute Indian Tribe Education Department

Welcome to the Education Scholarship Program of the Southern Ute Indian Tribe. As a Southern Ute Indian Tribal Member, you are eligible for certain benefits through the Education Scholarship Program, which include full-time scholarships, part-time scholarships and approved summer sessions. These benefits come with a strict set of rules and responsibilities, approved by the Tribal Council, with which you must comply.

This program is designed to operate in an efficient and timely manner. The process ensures adequate thought and planning on the part of the applicant to gain a successful educational experience and meet the goals of a desired degree program. Applicants who have not completed the necessary requirements needed for a scholarship by the deadline date will not be approved for an award (outlined in the application).

In addition to our commitment to provide a high-quality education and for the best interest of the tribal membership, the scholarship program will no longer fund “for profit” institutions of higher learning. For alternate schools see an Academic Advisor at the Southern Ute Education Department or refer to http://en.wikipedia.org/wiki/List_of_for-profit_universities_and_colleges.

School shall be approved by accrediting organization recognized by the Council for Higher Education Accreditation (CHEA) www.chea.org.

It is *not* the responsibility of the Education Department to complete *your* application. This responsibility lies solely with the applicant. **Incomplete or late applications will not be considered. NO EXCEPTIONS.**

Awards are approved for a period of one (1) academic year at a time. Part-time awards can be approved year around, which include: tuition, books, and fees; mileage at the federal rate is also available to part-time students commuting from home to attend an institution of higher education. Summer term scholarships are available to students upon written request. **Scholarship awards cannot be used to pay pre-existing bills or be used for any purpose other than current academic school year expenses, such as books, fees, and reasonable living expenses.**

The Education Department will fund only one (1) degree at each level: one (1) associate, one (1) bachelor, one (1) master, and one (1) doctorate.

Failure to meet these requirements will result in disqualification, a loss of benefits and, in some instances, repayment of funds already received.

Color Code

Blue- refers to Grade Point Average (GPA)

Red- refers to dates and deadlines

Green- refers to official transcripts

DEFINITIONS

“Academic achievement” shall mean awards or memberships based on GPA or other educational achievements, including, but not limited to, the National Honor Society, Phi Beta Kappa, Dean’s List, President’s Award, and Tri-Beta.

“Assistant Director” shall mean the Assistant Director of the Southern Ute Tribal Education Department.

“Academic Dishonesty” shall mean a student’s failure to follow the rules of conduct as defined by the policies and rules of the institution of higher education they are attending.

“Academic Year” shall mean the institution of higher education’s definition of academic year which includes the fall, winter, spring and summer terms.

“Accredited” shall mean approved by an accrediting organization recognized by the Council for Higher Education Accreditation (CHEA) www.chea.org.

“Commuting” shall mean a commuting distance of no more than one hundred (100) miles round trip from a student’s primary residence to the institution of higher education.

“Director” shall mean the Director of the Tribal Education Department.

“Excellence in Education Internship Program” shall mean the Internship Program that is intended to improve job opportunities for eligible students by providing job experience.

“FERPA” shall mean Family Educational Rights and Privacy Act. Schools must have written permission from the parent or eligible student in order to release any information from a student education record.

“For Profit” shall mean any educational institution that is run by private, profit-seeking companies or organizations and that may not apply transferrable credits. Please see appendix, number two (2), three (3) and four (4).

“Non-Profit institutions shall mean to receive funding from the government, tuition, and endowments. That money is generally used to put back into the curriculum, instruction, and other college operations.

“Good cause” shall mean death of an immediate family member, a medical condition certified by a doctor that justifies withdrawal; hospitalization of the student or immediate family member, or other situations beyond the control of the student, as determined by the committee.

“Immediate family member” shall mean the student’s father, mother, brother, sister, husband, wife, or child; other extended family members, including step or in-law relations, may be considered on a case-by-case basis, as determined by the committee.

“Institution of higher education” shall mean an accredited college, university, vocational, or technical school.

“July 1st Deadline” shall mean the date by which documents must be received by the Department of Education, which is the close of business on the **first day of July**, unless that day falls on a holiday or weekend, in which case it shall mean the close of business on the next business day.

“Scholarship Award” shall mean any funds the Education Department pays to or on behalf of the student, including, but not limited to, funds for tuition, fees, books, and living expenses.

“Scholarship financial dishonesty” shall mean accepting award money while not attending school.

“ Official Transcript” shall mean a sealed transcript that is sent directly from the student’s institution of higher education to the Education Department.

“Scholarship Committee” shall mean the staff of the Education Department, excluding the K-12 staff.

“PIN number” shall mean a personal identification number issued by the college, university, or institution of higher education to access student records.

“Probation Period” shall mean the term following the term in which the student received an **unsatisfactory grade point average between a 1.1-1.9 for undergraduates; A 2.0 for postgraduates, unless the institute of higher education requires a different GPA.**

“Repayment Agreement” shall mean the agreement between the student and Education Department for repayment of the Scholarship Award to the Education Department.

“Term” shall mean a semester, trimester, or two quarters.

“Third Party Payment Form” shall mean a form authorizing payment of tuition, fees, and books on behalf of a student.

“Tribal member” shall mean an enrolled member of the Southern Ute Indian Tribe.

“Tribe” shall mean the Southern Ute Indian Tribe.

“Unofficial Transcript” shall mean any transcript (i.e. web based or issued to the student) other than an **Official Transcript** as described above.

SIGNIFICANT INFORMATION

A. COMPLIANCE

Students must comply with **all** scholarship policies, including repayment, and must satisfy **all** program requirements before students will be considered for another full-time scholarship or any services that require funding from the Education Department, except for the internship and tutoring programs.

For all students, it is mandatory that they meet with the Southern Ute Education Department's Assistant Director attend one (1) of the scheduled scholarship policy orientations prior to the July 1st application deadline.

CareerScope Aptitude Assessment

The CareerScope Aptitude Assessment helps students identify their career interests to ensure they are seeking the right degree. All new students and students entering their sophomore year of college are required to take the CareerScope Assessment to better identify career interests.

B. NUMBER OF DEGREES ALLOWED

The Education Department will fund only one (1) degree at each level: one (1) associate, one (1) bachelor, one (1) master, and one (1) doctorate.

C. SCHOLARSHIP PAYMENTS

All scholarship payments will be made according to the Annual Scholarship Distribution Schedule (see pg. 23). The Director may request that payments be held for those students requiring special consultations or for those students not in compliance with the scholarship policies. **Without demonstrated "good cause," as defined in these policies, payments will not be held for student pickup or given out early.**

D. COMMUNICATION

If the student is 18 years of age or older, the Education Department will communicate solely with the student unless the student provides a signed *Release of Information Form* to the Director, authorizing communications with another individual.

E. PAYMENT OF TUITION

All tuition will be paid directly to the institution of higher education. It is the student's responsibility to submit tuition costs to the Education Department in a

timely manner. It is also the student's responsibility to determine whether a *Third-Party Payment Form* is required at the time of registration. If a student is dropped from classes for any reason, re-enrollment and any fees incurred will be the student's financial responsibility. Students are responsible for paying for failed or retaken courses.

F. TRANSFER AND CHANGING DEGREES

Students must submit a new degree plan and *Degree Completion Form*. If a student transfers or changes their major throughout their program, be advised the student may lose credits and the Education Department will not provide extra funding to make up for lost credits.

G. REIMBURSEMENT

Tuition will **not** be reimbursed to the student. Tuition will be paid directly to the institution for reimbursement. Part-time students will be reimbursed from the Education Department for books and fees with proof of receipt or a direct bill from the Institution.

H. SOUTHERN UTE TRIBAL EMPLOYEES AND ELECTED/APPOINTED OFFICIALS

Only part-time scholarships will be awarded to full-time tribal employees and current elected or appointed Tribal Officials. Tribal employees must follow the Tribe's Personnel Policies regarding class scheduling, absences and work hours.

I. TRAVEL

An accepted student who needs financial assistance for orientation may request per diem at the federal rate from the Education Department two (2) weeks in advance.

a. Students admitted to an institute of higher education and must attend orientation. The Education Department will pay for travel at the federal rate not to exceed \$1000.00 and if mileage exceeds 300 miles.

b. The Education Department will not pay for student's moving expenses and travel during holidays and at the end of each term, etc.

c. Full-time students: The Department does not pay for travel to and from school for full-time students.

J. INTERNATIONAL STUDIES

a. Part-time students requesting funds for International Studies will only be provided a maximum of \$2,000.

K. ONLINE EDUCATION

Students must be accepted to a regionally accredited “Not for Profit” Institution of higher learning. Online undergraduate to graduate degrees will be funded both part-time and full-time. Full-time funding will be available for students enrolled in full-time hours as follows: Undergraduate:

Freshman - 12 credit hours per semester;

Sophomores/Juniors - 15 credit hours per semester;

Seniors - 15 credit hours one semester and 12 credit hours one semester;

Graduate:

9 credit hours per semester.

L. CLASS AUDITING

The Education Department does not pay for students to audit classes.

PROCEDURES AND ELIGIBILITY CRITERIA FOR

A. CRITERIA

1. Be an enrolled member of the Southern Ute Indian Tribe;
2. Submit all documents required;
3. Demonstrate compliance with previous scholarship award requirements; and
4. Attend a mandatory scholarship orientation meeting before the **July 1st** deadline for full-time funding and **one (1) month prior to school starting** for part-time funding.

B. PROCEDURES

In preparing applications for this scholarship, it is important that the following be completed in order to expedite the application process:

1. Application
 - a Full-time: Each applicant applying for a full-time scholarship must submit a complete scholarship application packet to the Education Department **by July 1st of the current year. Incomplete and late applications will not be considered, NO EXCEPTIONS.**

- b. Part-time: Each applicant applying for a part-time scholarship must submit a complete scholarship application packet to the Education Department **30 days before the term starts. Incomplete and late**
- c. **applications will not be considered, NO EXCEPTIONS.**

2. Education Plan

An Education Plan consists of:

- a. A one (1) page letter explaining career goals, selection of accredited institution, desired degree, and anticipated completion timeline.
- b. Summer students must submit a one (1) page minimum letter identifying career goals, problems, and successes encountered during the past academic year **two (2) weeks prior to the term starting.**
- c. The institution of higher education course catalog for the Academic Year accepted that outlines the degree and courses needed.

3. Accepted Scholarship Recipients

Approved students must abide by **all** scholarship policies.

SCHOLARSHIP POLICIES

A. GENERAL (Applies to All Students)

- 1. For full-time students, a completed scholarship application packet must be returned to the Education Department by **July 1st of each year. NO EXCEPTIONS.**
- 2. For part-time students, a complete scholarship application packet must be returned to the Education Department **30 days prior to the term starting. NO EXCEPTIONS.**
- 3. **It is the responsibility of students to notify the Education Department in writing of any address, phone number, email, or student pin number changes within five (5) working days.**

The students must accept their mail from the Education Department at all times. If certified mail is returned to the Education Department, students must come into the Education Department or contact the office for the certified mail before the next scholarship check is issued.

Failure to comply may result in the Academic Advisor holding the next scholarship check.

4. Full-time continuing students must submit the Continuing Student Application Form **by July 1st of each year. NO EXCEPTIONS.**
5. Students must submit placement test scores (i.e.: Accuplacer test, SAT, and ACT) from the institution of higher education the student will be attending, or proof of a waiver of this requirement must be submitted, **no later than two (2) weeks after school has started.**
6. Students must submit transfer requirements if transferring from one (1) institution to another.
7. Students must submit proof of Associate, Bachelor, and Master's degree completion for continued scholarship funding or any other services that require funding from the Education Department.
8. Changes in course enrollment, withdrawal from classes or transfers must be approved by the Scholarship Committee two (2) weeks before changes are made. If a student changes a course which affects tuition and/or fees, the student will be responsible for any additional tuition, fees, and associated costs, such as books and supplies. Students who fail, repeat, or drop a course, or courses, for which the Tribe has paid separate tuition, must make up those course credits or pay the tuition and scholarship back before the start of the next academic year.
9. Simultaneous attendance at two (2) Institutions of higher education must be approved by the Scholarship Committee. This arrangement must be justified in terms of relevance to the student's degree program.
10. Students attending two (2) Institutions, G.P.A.'s will be averaged by the Academic Advisor.
11. The Education Department will not fund a second degree at the same level regardless of whether the applicant has "terms" left over, from the first degree. However, if a student obtains a double major at the same level and can do it in the number of terms funded it will be considered by the Scholarship Committee.
12. For students who have already obtained an Associate Degree through full-time funding by the Education Department, the maximum number of terms funded will be pro-rated as follows to continue to a Bachelor Degree:
 - Minus the number of terms funded for an Associate Degree
13. For students who have already obtained a Master Degree through full-time funding by the Education Department, the maximum number of terms funded will be pro-rated as follows to continue to a Doctorate Degree:
 - Minus the number of terms funded for a Master Degree.

14. The maximum number of terms funded will be pro-rated for students entering the scholarship program as sophomores – six (6) terms, juniors – four (4) terms, and seniors – two (2) terms.
15. Students wishing to obtain a certificate after they have completed a degree must show proof that this certificate is relevant to the student's degree program or major and apply to the Certificate Program in which they are enrolled.
16. Students who have been denied a full-time scholarship may re-apply the following year if they fulfill all necessary criteria. Students who have been denied a part-time scholarship may re-apply 30 days prior to the term starting.
17. Special situations, such as students with documented learning disabilities or medical conditions, will be reviewed by the Scholarship Committee on a case-by-case basis for scholarship funding.
18. Transcripts must be submitted to the Education Department as follows:
 - a. An **Official Transcript** is required as part of the student's scholarship application due July 1st.
 - b. Unofficial Transcripts must be submitted to the Education Department no later than two weeks after completion of each term, quarter or session.
 - c. **Official Transcripts** must be submitted to the Education Department before the February scholarship payment, or before the award for summer session students.
 - d. If transcripts are not submitted as required, scholarship funding and/or tuition will be placed on hold. Students will be responsible for late fees incurred.
19. A valid PIN number or valid student identification number or log-in credentials must be provided by midterm of the first term for the Education Department to access student grades and courses. If there are any changes to either the student ID or the valid PIN number, the student must report changes within five (5) working days to the Education Department. Failing to do so will be a direct violation of the scholarship policies and scholarship payment will be put on hold.
20. Any student found to have engaged in academic or financial dishonesty will be immediately terminated from the scholarship program, and the

student will not be readmitted into the scholarship program for **five (5) years**.

21. Students must notify the Education Department within **five (5) working days** of their withdrawal from any Institution of Higher Education. Students must submit proper documentation verifying the cause for withdrawal, which will be considered by the Scholarship Committee on a case-by-case basis. Failure to notify the Education Department of withdrawal and continuing to accept scholarship funding is considered financial dishonesty.
22. Routinely, the Assistant Director will check on the education status for scholarship recipients. If academic dishonesty is confirmed, the Academic Advisor can stop future scholarship payments for the term, session, or quarter.
23. Students who fail to complete a term without good cause must repay all scholarship awards received for that term, plus tuition.
24. Emergency waivers include, but are not limited to, immediate medical/health or other deemed emergencies that prevent students from successfully completing the term. Emergency waivers will be reviewed on a case-by-case basis. Students must submit valid documentation to be considered for this waiver.

Note: scholarship awards will be subject to the Tribe's Debt Collection Policy.

25. In the repayment plan, students agree to abide by all Education Department Scholarship Policies. A repayment plan, must be approved by the Scholarship Committee, which can take one of two forms:
 - a. Pay the Tribe in full the total amount of the scholarship award, including tuition. A student may arrange with the Education Department and Finance to make monthly payments for a **maximum of five (5) years**, provided she/he has not pursued the option of making up credits, in which case the period of time for repayment will be reduced
 - b. Make up the number of credits funded by the Tribe for the term in which the student failed to meet the scholarship policies and show proof of a **cumulative GPA of 2.0 for undergraduate programs and a cumulative GPA of 3.0 for master/doctorate programs**. This must be accomplished without Education Department funding **within three (3) consecutive terms** immediately following the probationary term or withdrawal.
26. **Students upon graduating must provide the Education Department an official transcript to show proof of degree and grades.**

27. Students must follow rules of conduct as defined by the policies and rules of the institution of higher education they are attending.

B. UNDERGRADUATE

In addition to the general Scholarship Policies described in Section A, which apply to all students, undergraduate students seeking a scholarship award must abide by the following policies. Scholarships will not be awarded to students who fail to meet the requirements stated in these guidelines.

1. Scholarship awards for all undergraduate students will equal \$15,000 per term, plus tuition.
2. Undergraduate scholarship awards will also be limited according to the type of degree sought by the student, as follows:
 - a. Associate Degree: no more than six (6) terms of funding.
 - b. Bachelor Degree: no more than ten (10) terms of funding.
 - Minus the number of terms funded for an Associate Degree
3. All students must attend visitation meetings set up by the Education Department.

Freshman:

1. The student must be enrolled in 12 credit hours with a total of 24 credit hours to be taken in the freshman academic year. A student must complete 24 credit hours to continue funding for the next year.
2. Students testing out of remedial courses (060 through 099) must show proof.
3. A cumulative GPA of 2.0 or better must be achieved in the freshman academic year. If the student does not meet this requirement, the student will be placed on scholarship probation for the following term. After the probationary period, if the student does not meet the requirements, he/she must repay the entire scholarship award, plus tuition, or fund on their own the number of credits that were funded through a tribal scholarship, while maintaining a cumulative 2.0 GPA. A student may re-apply for scholarship funding once the repayment requirements have been met.
4. Students who fall below a **cumulative GPA of 1.0** will not be eligible for scholarship probation and will be denied additional scholarship funding until they have raised their **cumulative GPA to 2.0**.

Sophomore:

1. Sophomore students must declare a major by the end of the sophomore Academic Year.
2. The student must be enrolled in 15 credit hours per term with a total of 30 credit hours to be taken in the sophomore academic year. A student must complete 30 credit hours to continue funding for the next year.
3. A **cumulative GPA of 2.0** or better must be maintained in the sophomore academic year. If the student does not meet this requirement, the student will be placed on scholarship probation for the following term. After the probationary period, if the student does not meet the requirements, he/she must repay the entire scholarship award, plus tuition, or fund on their own the number of credits that were funded through a tribal scholarship, while maintaining a **cumulative 2.0 GPA**. A student may re-apply for scholarship funding once the repayment requirements have been met.
4. Students who fall below a **cumulative GPA of 1.0** will not be eligible for scholarship probation and will be denied additional scholarship funding until they have raised their **cumulative GPA to 2.0**.
5. Associate Degree students must submit a copy of their petition/declaration to graduate to the Education Department the term prior to graduation.

Junior:

1. The student must be enrolled in 15 credit hours per term with a total of 30 credit hours to be taken in the junior academic year. A student must complete 30 credit hours to continue funding for the next year.
2. A **cumulative GPA of 2.0** or better must be maintained in the junior academic year. If the student does not meet this requirement, the student will be placed on scholarship probation for the following term. After the probationary period, if the student does not meet the requirements, he/she must repay the entire scholarship award, plus tuition, or fund on their own the number of credits that were funded through a tribal scholarship, while maintaining a **cumulative 2.0 GPA**. A student may re-apply for scholarship funding once the repayment requirements have been met.
3. Students who fall below a **cumulative GPA of 1.0** will not be eligible for scholarship probation and will be denied additional scholarship funding until they have raised their **cumulative GPA to 2.0**.

4. A student must submit a copy of their petition/declaration to graduate **before the beginning of the senior academic year** to the Education Department.

Senior:

1. The student must be enrolled in a total of 27 credit hours for their senior year with a minimum of 12 credit hours in one term and 15 credit hours in the other.
 - a. Part-time funding is available for second term graduating seniors enrolled in less than 12 credit hours.
 - b. Other students enrolled in less than 12 credits hours may receive part-time funding.
2. A **cumulative GPA of 2.0** or better must be maintained in the senior Academic Year. If the student does not meet this requirement, the student will be placed on scholarship probation for the following term. After the probationary period, if the student does not meet the requirements, he/she must repay the entire scholarship award, plus tuition, or fund on their own the number of credits that were funded through a tribal scholarship, while maintaining a **cumulative 2.0 GPA**. A student may reapply for scholarship funding once the repayment requirements have been met.
3. Students who fall below a **cumulative GPA of 1.0** will not be eligible for scholarship probation and will be denied additional scholarship funding until they have raised their **cumulative GPA to 2.0**.
4. To access the graduation expense funds, a student must submit a written request.

C. POSTGRADUATE

In addition to the general Scholarship Policies described in Section A, which apply to all students, postgraduate students seeking a scholarship award must abide by the following policies. Scholarships will not be awarded to students who fail to meet the requirements stated in these guidelines.

Master/Doctorate:

1. Scholarship awards for all Master students will equal \$20,000 per term, plus tuition.
2. Scholarship awards for all Doctorate students will equal \$25,000 per term, plus tuition.

3. Full-time postgraduate scholarship awards will also be limited according to the type of degree sought by the student, as follows:
 - a. Master: no more than six (6) terms
 - b. Doctorate: no more than ten (10) terms
 - Minus the number of terms funded for a master's degree.
4. For students entering a **postgraduate program**, a New Student Application Form for Graduate Students and an **Official Transcript** must be submitted **by July 1st of the year in which the postgraduate program begins.**
5. The student must be enrolled in a minimum of nine (9) credit hours per term, with a total of 18 credit hours per academic year, in order to qualify for a full-time scholarship award.
6. All online classes will receive part-time funding. Universities that offer one (1) class at a time will also be considered part-time funding only.
7. All students must attend the visitation meeting set up by the Education Department.
8. A **cumulative GPA of 3.0** or better (if the Institution requires a higher GPA) must be maintained in the master/doctorate program. If the student does not meet this requirement, the student will be placed on scholarship probation for the following term. After the probationary period, if the student does not meet the requirements, he/she must repay the entire scholarship award, plus tuition, or fund on their own the number of credits that were funded through a tribal scholarship, while maintaining a **cumulative GPA of 3.0**. A student may re-apply for scholarship funding once the repayment requirements have been met.
9. Students who fall below a **cumulative GPA of 2.5** will not be eligible for scholarship probation and will be denied additional scholarship funding until they have raised their **cumulative GPA to 3.0**.
10. Juris Doctorate Programs will be funded as a Master level program.

Professional Degrees

1. A professional degree is a graduate degree that will help students advance in their area of study to gain employment in a specific field.
Students seeking a professional degree must provide the following:
 - a. Proof of need from current or potential employer
 - b. Proof of completion of prior degree

- c. Completed New Student Scholarship Application submitted by deadline
- 2. Professional degree seeking students must abide by all scholarship policies according to the level of the degree being sought.
- 3. The Professional Degree Program will not supplement an uncompleted degree
- 4. Terms of funding
 - a. Six (6) terms of full-time funding (minimum of 9 credit hours required)
 - b. Part-time funding is also available (pg. 20)

D. SUMMER TERMS

In addition to the general Scholarship Policies described in Section A, which apply to all students, students seeking a scholarship award for summer courses must abide by the following policies. Scholarships will not be awarded to students who fail to meet the requirements stated in these guidelines.

- 1. Written requests for summer school scholarships and proof of enrollment in summer courses must be submitted to the Academic Advisor no later than **two (2) weeks before the summer session begins.**
- 2. Summer session scholarships are to accelerate a student's program, not to make up credits or repeat classes for failed or dropped classes from the current school year. Summer session classes must be relevant to the student's degree program.
- 3. Scholarships may be given for summer school if students have completed 24 credits as a freshman and 30 credits as a sophomore, junior, or senior per Academic Year before summer school with a **cumulative GPA of 2.0.** Master and Doctorate candidates must have completed a minimum of 18 credits for the academic year and have maintained a **cumulative GPA of 3.0 or if the Institution requires a higher GPA.**
- 4. **Official Transcripts** must be submitted from the previous term within two (2) weeks of that term.
- 5. Full-time summer session scholarship awards will only be given to full-time summer session students, as defined by the institution of higher education. Part-time summer session scholarship awards are also available.
- 6. Summer session scholarships are not available to students participating in the Excellence in Education Internship Program.
- 7. Summer session scholarship awards will be prorated and checks for the next month will be **mailed on the 20th of the preceding month.**

8. Summer session scholarships will be included in the calculation of terms funded by the Education Department as half of one (1) full term.

E. PART-TIME & LIMITED SCHOLARSHIP AWARDS

In addition to the general Scholarship Policies described in Section A, which apply to all students, students seeking a part time scholarship award must abide by the following policies.

1. Part-time scholarship awards shall include only tuition, books, fees, and a distance of no more than 100 miles round trip at the federal rate for local commuting to attend an Institution of Higher Education.
 - A course schedule including days and times of classes must be submitted for mileage reimbursement.
2. Part-time scholarship awards are for students that have:
 - a. Missed the July 1st deadline.
 - b. Online undergraduate and graduate degrees that are “Not for Profit”.
 - c. Students enrolled in part-time credit hours.
3. Applicants are required to submit applications 30 days prior to school starting. This process requires adequate thought and planning on the part of the student.
4. Part-time scholarship awards are available for up to 15 credit hours for undergraduate programs and up to nine (9) credit hours for graduate programs to allow students to complete the degree programs after the full-time funding has been exhausted.

F. EXPENSES

The following expenses will be considered for payment:

1. Graduation Expenses: gown rental and invitations

Associate Degree	\$300.00
Baccalaureate	\$350.00
Master	\$400.00
Doctorate	\$450.00

The student must submit a written request for such expenses before graduation together with proof of graduation eligibility.

2. Computer Purchases

The Education Department will help full-time students seeking computer science, engineering

and similar degrees with a computer purchase. Students are required to show proof that the Institute of higher learning requires a computer for the degree. The maximum one-time award is \$2,500.00. All other computer requests will be referred to Education's computer purchase program.

3. Tutoring Services

A student may receive funding assistance for tutoring up to \$40.00 an hour if a course grade is a C or below no later than midterm. All other requests will be reviewed by the Scholarship Committee. The student must submit a written request for tutoring assistance and fill out the tutoring form available from the Education Department.

4. Exams

- a. A student must submit a written request for funding and a repayment agreement to enroll in preparatory classes for exams related to his/her education, including, but not limited to, the Graduate Record Exam (GRE), Law School Admission Test (LSAT), or a state bar exam.
- b. The Tribe will pay 100% of the exam and preparatory course-related fees, registration, tuition and books. Funding shall be available for one (1) preparatory course for each type of exam for each student.
- c. Any student receiving funding under this provision shall be required to regularly attend the preparatory class and take the exam when indicated.
 - 1) The Education Department will not pay for exam retakes.
 - 2) If student does not finish or pass exam, the repayment agreement will be applied.
- d. Students must submit proof of exam results to the Education Department.

5. Awards

- a. Once during the current Academic Year, students with academic achievements will receive monetary awards at the Education Banquet as follows:

Undergraduate:	\$300.00
Master:	\$400.00
Doctorate:	\$500.00

- b. The students must present proof of receiving the academic award.

APPEALS

1. Right of Appeal

Any student who disagrees with the decision of the Assistant Director regarding the application of the scholarship program policies by the Education Department and wishes to appeal the Academic Advisor's decision must submit a written letter of appeal to the Director.

2. Letter of Appeal

a. Local Commuting Students

- i. Students who live in the local commuting area have seven working days to submit a written letter of appeal to the scholarship committee.

b. Non-Local Commuting Students

- i. Students who are not a non-local commuting student have fourteen calendar days to submit a written letter of appeal to the scholarship committee.

3. Meeting with Director

- a. For students who live in the local commuting area, the Director shall meet with the student and the scholarship committee **within five (5) working** days to discuss the issue.
- b. For students who are not local commuting students, the Director shall meet with the student and the scholarship committee **within ten (10) working days**.

4. Scholarship Committee Decision

- a. The Scholarship Committee has **14 working days** to make a decision regarding the appeal.
- b. The Director will provide a letter to the student regarding the decision of the Scholarship Committee.
- c. Any student who disagrees with the Scholarship Committee's decision may then submit a written request for a hearing in front of the Scholarship Policies Board of Appeals (Board of Appeals) to the

Executive Officer of the Southern Ute Indian Tribe within **seven (7) calendar days (if the student is in the local commuting area) or fourteen calendar days (if the student is a non-local commuting student)** of the Scholarship Committee's decision.

- d. Failure to submit a written request within the **applicable** time period shall result in termination of the appeal process.

6. Content of Letter of Appeal

The letter of appeal must state the decision with which the student disagrees and the student's position. The student must also submit any documentation that supports the student's position with the letter of appeal.

7. Composition of the Board of Appeals

The Board of Appeals shall consist of:

- a. A former graduate level scholarship student who was subject to the Tribe's scholarship policies after 1999, met the requirements of the scholarship while receiving a scholarship, and maintained a 3.5 GPA or, alternatively, the Director of the Education Department for the Southern Ute Indian Tribe, or his/her designee.
- b. The Manager of the Sky Ute Casino Resort Career Development Program (CDP), or his/her designee; and
- c. A former undergraduate level scholarship student who was subject to the Tribe's scholarship policies after 1999, met the requirements of the scholarship policies while receiving a scholarship, and maintained a 3.0 GPA.

The Director shall compile a list of former undergraduate students who would be eligible to serve on the Board of Appeals under subsection c. The former graduate level student or the Director of Private Education or his/her designee and the Manager of the Casino CDP shall jointly select a former student from the list to serve on the Board of Appeals for each hearing. No person shall be allowed to serve on the Board of Appeals if the appeal presents a conflict of interest involving an immediate family member. Prior to commencing a hearing, the three (3) members of the Board of Appeals shall select one (1) member to chair the hearing.

8. Hearing

The Scholarship Policies Board of Appeals shall hold a hearing regarding the written letter of appeal **within 15 days of receipt of the letter** by the Executive Officer. The Executive Officer shall notify the appealing student of the hearing and the student's right to appear at the hearing, either in-person or by telephone, to support the letter of appeal. The Executive Officer shall also notify the Education Department of the hearing and a representative of the Department may be present to defend the Department's interpretation and administration of the Scholarship Policies.

9. Hearing Procedures

The appealing student shall be given a fair hearing with rights of due process; however, strict rules of evidence and procedure do not apply. The Education Department will first present its case, including documents and testimony. The appealing student will then be allowed to present his/her case, including documents and testimony. The members of the Board of Appeals may ask questions of both the Department representative and the appealing student. The hearing shall be closed to the public and all information shall remain confidential.

10. Decision

At the conclusion of the hearing, the Board of Appeals shall meet in private to review the evidence and make a decision, by majority vote, to accept, reject, or modify the decision of the Director. The Board of Appeals' decision cannot include a recommendation or directive that is inconsistent with any of the Scholarship Policies. The Scholarship Policies Board of Appeals shall provide the Director and the appealing student with a **written decision within seven (7) days**. The decision of the Scholarship Policies Board of Appeals is final and there will be no right to a review of the decision in Tribal Court or Tribal Council.

Annual Scholarship Distribution Schedule

Scholarship awards are for fees, books, living expenses, continuing classes, workshops or training to enhance the degree. Students must be in compliance with the scholarship policies in order to receive continued funding.

A. PAYMENT METHOD

1. DIRECT DEPOSIT

For those students who have elected to have funds directly deposited, those amounts will be deposited on the first of the month for which the funds are intended. This distribution schedule is based on an academic year beginning in the month of August.

2. CHECKS

If a particular Institution of higher education has a start date other than in August, a student attending that institution may submit a written request to the Academic Advisor to amend this distribution schedule. The Academic Advisor may also amend the distribution schedule to correspond with the varying schedules of other institutions of higher education.

Checks are mailed on the 20th for those students who have not elected funds to be direct deposited. Therefore, the Education Department is not responsible for when a check is delivered by the postal service.

All checks are mailed.

B. UNDERGRADUATE

1. First Term:

The August payment of \$5,000.00 will be mailed on the **20th of July**. The September through December payments in the amount of **\$2,500.00** per month will be mailed on the **20th of each month**, August through November.

2. Second Term:

The January payment of \$5000.00 will be mailed on the **20th of December upon receipt of unofficial transcript**. Prior to the February through May payments in the amount of \$2,500.00 per month will be mailed on the **20th of each month upon receipt of an official transcript**, January through April.

C. MASTER

1. First Term:

The August payment of \$5,000.00 will be mailed the **20th of July**. The second payment of \$15,000.00 will be mailed the **20th of August**.

2. Second Term:

The January payment of \$5,000.00 will be mailed on the **20th of December upon receipt of an unofficial transcript**. The second payment of \$15,000.00 will be mailed the **20th of January, upon receipt of an official transcript**.

D. DOCTORATE.

1. First Term:

The August payment of \$5,000.00 will be mailed the **20th of July**. The second payment of \$20,000.00 will be mailed the **20th of August**.

2. Second Term:

The January payment of \$5,000.00 will be mailed on the **20th of December upon receipt of an unofficial transcript**. The second payment of \$20,000.00 will be mailed the **20th of January, upon receipt of an official transcript**.

NEW STUDENT APPLICATION FORM

Deadline: July 1st

Scholarship Application for Non-Profit Institutions Application Form

Only COMPLETED applications will be considered

For all students, it is mandatory that they meet with the Southern Ute Academic Advisor or attend scholarship policy orientation.

☐ **Undergraduate** (Associate/Bachelor)
☐ **Graduate** (Master/Doctorate)

☐ **Full-time**
☐ **Part-time**

STUDENT INFORMATION

Name: _____ SS#: _____
Census #: _____ E-Mail Address: _____
Mailing Address: _____
Phone #: _____ Cell Phone # _____

INSTITUTION OF HIGHER EDUCATION INFORMATION

MANDATORY TO COMPLETE

Accredited Institutional Information

Name _____
Address _____
Phone _____ Web site _____

Student's Institutional Information

Student ID#: _____ PIN #: _____
Assigned Advisor/phone _____
Assigned campus e-mail (if applicable) _____
Log in credentials _____

Degree Information

Declared Major _____ Declared Minor _____
Option within Major (if applicable) _____

All students must provide the following information with this Application:

APPLICATION CHECK LIST

- _____ Acceptance letter from the accredited institution of higher education you plan to attend
- _____ One-page letter explaining: 1) career goals, 2) selection of accredited institution, 3) desired degree; and 4) and how long to complete
- _____ List of courses you plan to enroll in during the **first term** (academic year)
- _____ Signed Repayment Agreement in case of default (notarized)
- _____ Signed Privacy Act Form and Release (notarized)
- _____ Catalog from the accredited institution of higher education you plan to attend
- _____ Signed copy of FERPA agreement (available at Institution)
- _____ Other scholarships, grants, loans, and awards applied for (tuition, fees, and books)
- _____ Meet with advisor or attend scholarship policy orientation

Undergraduate applicants only

- _____ High School official transcript or GED certificate
- _____ Completed CareerScope Interest and Aptitude Assessment
- _____ Placement Test Scores or Proof of Waiver regarding college reading/writing/math
- _____ Two (2) letters of recommendation (excluding family, friends and Department of Higher Education staff)

Graduate Only

- _____ Undergraduate Official transcript
- _____ Three (3) letters of recommendation (excluding family, friends and Department of Higher Education staff)

Signature of Applicant

Date: _____

Signature of Southern Ute Higher Education Employee

Date: _____

For Office Use Only

Scholarship Award Recipient: Approved_____Denied_____Incomplete_____

Unanimous Approved 1._____2._____() For ()Opposed ()Abstain

Education Director Signature

Date

CONTINUING STUDENT APPLICATION FORM

Deadline: July 1st

Scholarship Application for Non-Profit Institutions Application Form

Only COMPLETED applications will be considered

For all students, it is mandatory that they meet with the Southern Ute Academic Advisor or attend the scholarship policy orientation.

____ Undergraduate (Associate/Bachelor)
____ Graduate (Master's/Doctorate)

____ Full-time
____ Part-time

STUDENT INFORMATION

Name: _____ SS#: _____
Census #: _____ E-Mail Address: _____
Mailing Address: _____
Phone #: _____ Cell Phone # _____

INSTITUTION OF HIGHER EDUCATION INFORMATION

MANDATORY TO COMPLETE

Accredited Institution Information	
Name	_____
Address	_____
Phone	_____ Web site _____
Student's Institutional Information	
Student ID#:	_____ PIN #: _____
Assigned Advisor/phone	_____
Assigned campus e-mail (if applicable)	_____
Log in Credentials	_____
Degree Seeking Information	
Declared Major	_____ Declared Minor _____
Option within Major (if applicable)	_____

All students must attach the following information to this Application:

APPLICATION CHECK LIST

- _____ One (1) page letter requesting continuation of scholarship, and to: 1) identify career goals, and 2) successes and problems encountered during the past academic year
- _____ List of courses you plan to enroll in during the **first term** and **second term** (academic year)
- _____ List of courses (general, major, and minor) to complete degree
- _____ Signed Repayment Agreement in case of default (notarized)
- _____ Signed Privacy Act Form and Release (notarized)
- _____ Current **official transcript**
- _____ Signed copy of FERPA agreement (available at Institution)
- _____ Complete the CareerScope Aptitude Assessment if entering sophomore year
- _____ Degree completion form filled out by registrar
- _____ Petition to graduate, if applicable
- _____ Other scholarships, grants, loans, and awards applied for (tuition, fees, and books)

Transfer students additional requirements

- _____ Acceptance letter from the accredited institution of higher education to which you are transferring
- _____ One (1) page letter explaining the reason for the transfer
- _____ Proof of student's request for **official transcripts** to be sent by former institution of higher education attended to new institution of higher education to which the student is transferring, or a letter from the institution stating they will not accept past transcripts
- _____ New Privacy Act Form and Release for the new institution of higher education

Signature of Applicant

Date: _____

Signature of Southern Ute Higher Education Employee

Date: _____

For Office Use Only

Scholarship Award Recipient: Approved _____ Denied _____ Incomplete _____

Unanimous Approved 1. _____ 2. _____ () For () Opposed () Abstain

Education Director Signature

Date

REPAYMENT AGREEMENT

IN ACCEPTING THIS SCHOLARSHIP AWARD FOR ACADEMIC YEAR(s) _____:

I have read and agree to abide by all the Education Department Scholarship Policies. If I do not, I **will repay the total amount** of scholarship award, including tuition.

I agree to contact the Southern Ute Department of Education to make arrangements for repayment **30 days after the last term I was** awarded a scholarship. If I fail to make arrangements for repayment or fail to make payment or make up the number of credits as agreed, I understand the Education Department may, under the Southern Ute Indian Tribal Code, withhold a portion of my per capita, dividend and/or pension payments until repayment is satisfied.

A repayment plan in writing must be approved by the Scholarship Committee and can take one of three forms:

1. Pay the Tribe in full the total amount of the scholarship award including tuition. A student may arrange to make monthly payments for **a maximum of five (5) years**, provided she/he has not pursued the option of making up credits, in which case the period of time for repayment will be reduced.
2. Make up the number of credits funded by the Tribe for the term in which the student failed to meet the scholarship policies, and show proof of the required **cumulative GPA**. This must be accomplished without the Education Department's funding **within three (3) consecutive terms** immediately following the probationary term or withdrawal.
3. Pay the Tribe the total amount of the scholarship award received for any exams. A student may arrange to make monthly payments for **a maximum of five (5) years**.

I _____ have received and read a copy of the
Scholarship Policies and agree to abide by them.

Signature

Date

Note: Please have this page notarized by a notary public.

State of _____)
County of _____) ss:

Subscribed and sworn to before me, this _____ day of _____, 20 ____.

My commission expires _____.

Notary Public

RELEASE OF INFORMATION

(Academic Year(s)_____)

CONSENT FOR GRANTING ACCESS OR TO RELEASE RECORDS TO THIRD PARTY
I hereby authorize

Name of Institution

Address

Phone

E-mail of Academic Advisor

E-mail of records office

To grant access and/or release my academic grades and all materials relating to me contained in the files of said institution to:

To Education Department
Southern Ute Indian Tribe
PO Box 737
Ignacio, Colorado 81137
E-mail: ltaylor@southernute-nsn.gov

Name of Student

Date

Signature of Student

NOTE: Please have this page notarized by a notary public.

State of _____)

County of _____)

Subscribed and sworn to before me, this _____ day of _____, 20____.

Notary Public

My commission expires _____.

STUDENT SCHOLARSHIP BUDGET

CASH FLOW WORKSHEET

FOR STUDENT USE ONLY

MONTHLY EXPENSES

<p>Household</p> <p>Mortgage/rent \$ _____</p> <p>Utilities: Gas/electric _____</p> <p style="padding-left: 40px;">Water/Sewer _____</p> <p style="padding-left: 40px;">Trash _____</p> <p>Phone: Home/cell _____</p> <p>Cable _____</p> <p>Groceries _____</p> <p>Home furnishings _____</p> <p>Household supplies _____</p> <p>Medical</p> <p>Doctor/ Dentist</p> <p>\$ _____</p> <p>Medicine/prescription Other _____</p> <p>Clothing</p> <p>Purchases \$ _____</p> <p>Cleaning, laundry, etc _____</p> <p>Automobile</p> <p>Monthly payments \$ _____</p> <p>Fuel _ Oil changes, _____</p> <p>repairs _____</p> <p>Tires _____</p>	<p>Insurance</p> <p>Life \$ _____</p> <p>Auto _____</p> <p>Health/dental _____</p> <p>Homeowner/renter's _____</p> <p>Entertainment/Recreation</p> <p>Dining \$ _____</p> <p>Movies/theatre _____</p> <p>Health club _____</p> <p>Vacation/travel _____</p> <p>Other _____</p> <p>Debt</p> <p>Credit card \$ _____</p> <p>Credit card _____</p> <p>Loan _____</p> <p>Other _____</p> <p>Miscellaneous Expenses</p> <p>Education: Books/supplies</p> <p>\$ _____</p> <p style="padding-left: 40px;">Student fees, etc. _____</p> <p style="padding-left: 40px;">School lunches _____</p> <p>Bus pass/parking _____</p> <p>Child care _____</p> <p>Alimony/child support _____</p> <p>Gifts _____</p> <p>Membership/dues _____</p> <p>Total Monthly Expenses</p> <p>\$ _____</p>
--	---

STUDENT SCHOLARSHIP BUDGET

CASH FLOW WORKSHEET

FOR STUDENT USE ONLY

MONTHLY HOUSEHOLD INCOME

Salary	\$	Available Monthly funds (savings)	
Salary	_____	Total Monthly Income	\$
Income from:	_____	Total Monthly Expenses-	\$
Scholarship award	_____	Available Funds =	\$
Tribal Per Capita	_____		
Tribal dividend	_____		
(October dividend divided by 12 months)	_____		
Self-employment	_____		
Part-time employment	_____		
Alimony/child support	_____		
Tax refund	_____		
Other Income	_____		
Total Monthly Income	_____		
\$	_____		

Notes:

APPENDIX

1

Student College Checklist

STUDENT COLLEGE CHECK LIST

FOR STUDENT USE ONLY

- _____ Kuder Career Assessment required by the SUT Scholarship Program
- _____ Get connected to the college of your choice
- _____ Complete College Admissions Application and pay enrollment deposit
- _____ Receive Undergraduate Acceptance Letter
- _____ Complete Institution's Placement/Skills Assessment (i.e. Acuplacer)
- _____ Register for classes
- _____ Submit completed SUT Education Scholarship application by July 1st with all required documents.
- _____ Tuition & Fee Information
- _____ Housing Application & Meal Plan
- _____ Complete medical history & Immunization form
- _____ Health Insurance Information
- _____ Attend new student orientation
- _____ Purchase textbooks
- _____ Campus parking permit information
- _____ Cable /Telephone service for your dorm room

APPENDIX
2
2011 Policy Revision Memo to
Executive Officer

Memo

To: Andrew Frost – Executive Officer and Tribal Council
From: La Titia Taylor, Director
CC: scholarship file
Date: 6/17/14
Re: Scholarship revisions for Adult Education, Certificates and degrees

The Education Department is requesting a working session with Tribal Council for one of the following dates: May 23rd – anytime, May 25th 1-5pm, May 26th – anytime or June 3rd 1-5pm. Attached for approval are copies of current policies and red line policies for three Education programs: Adult Education, Certificates and Degrees.

Adult Education

1. The Adult Education policies have minor revisions which are added to be in-line with our other policies.

Certificate

1. The Department is requesting to separate the Certificate Policies from the degree policies so that tribal members do not mix the degree information with certificate.
2. In addition, the certificate programs are year around and have no deadline.
3. We also request that the total amount of tuition be reduced to 20,000 from 25,000. Over the past 3 years either the tuition or scholarship account has been over. We have absorbed the cost by not over expending in other accounts.
4. The Department is requesting to add a policy to fund at the part time level for recertification's and licensures.

Degrees

1. We are recommending that the tribe no longer fund "For Profit Institutes".

- a. We have researched this issue and find that these institutes are usually online and cost 3X the amount than a “Not For Profit Institute”.
- b. Most colleges will not transfer credits from the for profit institute. An article we read stated that a single mother went to a for profit institute and received an associates degree and paid 30,000. She wanted to transfer to a not for profit college to obtain the bachelors degree and the credits would not transfer. She would have had to stay at the current school and pay the expensive tuition to complete the bachelors degree. She couldn’t afford it.
- c. Business will hire an individual with a degree from a not for profit school before the hire from a for profit school.
- d. The Federal Government is concerned with the amount of education money they are awarding to students that attend for profit institutes. For example: if a student goes to University of Colorado (CU) and applies for a Pell grant or student loan for tuition for 1 term; for the same term at a for profit institute the government is giving the student 3X the amount. Essentially 3 students from CU as opposed to 1 student at a for profit school like the University of Phoenix (UOP) could be funded. Last year the UOP received 4.3 Billion dollars of income from federal student aid, nearly 8X as much as the largest nonprofit recipient which was Penn State.
- e. We have several students that have experienced at Apollo College receiving loans that they had no idea they received. The student didn’t want the loan but somehow they were billed and forced to take the loan. Our staff called Apollo on behalf of the student. We were transferred 5 to 7 times to try and talk to the right person. When we finally got a person we asked them to produce documentation to show where the student signed for the loan. We were then told, “You are a third party entity, and we will not talk to you”. We then recommend to the student to get a lawyer.
- f. We experience that they change tuition costs and give the student one cost and the department another.
- g. They make it difficult for students to be enrolled in 15+ credits/term which conflicts with our policies.
- h. They have a high turnover in employees so every year we have to try and establish a relationship with a new employee.
- i. All other institutes have academic advisors that we speak to. For profit institutes have financial advisors.
- j. As the Director, I posed as a potential student and I was going to be admitted as long as I had a good credit score and some form of financial account they could access. In addition, their recruiting practices are deceptive and mislead students. They prey on students that are eligible for Title V (eligible for

financial aid, low income and minorities). In December 2009 UOP was fined 78.5 million dollars for illegally paying recruiters for the number of students they enrolled.

- k. Students are not being taught to multi task. For example at a not for profit institute a full time student will take 4-6 courses a week for 5 months. They are learning to think a variety of ways and have to manage numerous courses at once. A for profit school will normally give 1-2 classes every 5 weeks. With this type of schedule and the courses being online the student has a lot of down time. This type of system also conflicts with our scholarship distribution schedule. Policies require grades before the next term of payments can be made. Credits overlap terms and students are upset when we hold a scholarship payment until proof of all credits are submitted with a transcript.
 - l. It is difficult for the Department and student to obtain an official transcript because there is always a hold on the students financial account because they forget we have a letter of credit or do not communicate with us.
 - m. The policies state that we don't pay for retakes or failed courses. When this happens to a student attending a for profit college they have to pay over 1,000.00 for the retake as opposed to not for profit colleges where the same course is roughly 300.00. In addition their system pushes the students graduation date back up to 5 weeks for each failed course.
 - n. We spoke to the Northern Ute Tribe and they will not fund for profit institutes because of the costs and lack of quality.
- 2. The Department is requesting to change the juris doctorate program to be funded at the masters level instead of the doctorate level. Through research and investigation we have found that this degree is the first professional graduate degree in law. Unlike other doctorate programs the juris doctorate does not require a dissertation.
 - 3. The Department is requesting to change the policy and provide part time scholarships to online degrees. A person has the time to go to work while taking online courses. Many fulltime employees who have not completed college choose online schools so that they can continue to work.
 - 4. The Department is requesting to change the policy to allow only one associates, and bachelors degrees. Tribal members want to continue to stay on the same level of degree instead of increasing their level of education. Tribal members who have utilized this option are not attempting to find employment. Plus it is saving the tribe money.
 - 5. The Department is requesting to change the policy for fulltime employees to receive part time funding only.

The Department has worked with Monte Mills on the revisions. He has recommended that it is ready for Tribal Council's review. We are requesting Tribal Council to approve the revisions so that we may get the information out to the tribal membership before the July 1st deadline. If approved we will provide a list of for profit institutes to the membership to help them find an appropriate institute and we will provide an article in the DRUM about the changes.

APPENDIX

3

Southern Ute Drum Article: An update on programs, relationships and for-profit policy. 11 Jan. 2013.



LOCAL EDUCATION

An update on programs, relationships and for-profit policy

By La Titia Taylor
SU EDUCATION DEPT.

The Southern Ute Education Department has been developing summer enrichment programs and working to build a stronger relationship with the Ignacio School District.

Research shows that summer enrichment programs promote education success during the regular academic year. Simply by providing an engaging opportunity for students in the summer, they've proven to help students retain information from the previous academic year and better prepare them for the next academic year.

In the past three years, the Education Department and the Ignacio School District have improved their working relationship. As a result, we had 100 percent of Southern Ute students graduate high school.

We provide tutoring for students in Kindergarten through eighth grade at the Education Center and in grades nine through 12 at the Ignacio High School. This is where the majority of our students attend public school; however, we are working with other local school districts to continue to make them aware of our services.

We are happy to announce new or modified programs for K-12 students. In November 2012, we began the planning stages with Western State University to provide our third Explore Colorado weeklong camp, filled with science, technology, engineering and math (STEM) activities. It's for students in the seventh through 12th grades and will take place July 22-26.

We also will provide STEM for the younger students (K-6) through our Summer Youth In Action. Since this is a younger age group, we develop STEM programs with local groups, such as the Durango Discovery Museum, the Crow Canyon Archaeological Center, the James Ranch and our Education Department teachers, just to name a few.

Department Director La Titia Taylor and Assistant Executive Officer Amy Barry have met with Los Alamos National Laboratory representatives and have re-established our relationship with the lab. This summer, we will start field trips for the younger students. Internships are now available for high school seniors and college students.

Since Los Alamos is a national laboratory, we will have connections with other labs and will eventually take field trips and gain exposure to their STEM programs.

The second Tri-Ute Leadership Conference will take place with collaboration between the three Ute tribes' education departments. The Southern Ute Education Department hosted the first conference at Fort Lewis College. On Aug. 4-7, the Northern Ute Tribe will host at Utah Valley University in Orem, Utah.

This conference offers a wide range of workshops, from preparing students for the college process to social, emotional and cultural activities. Also, on Aug. 17 we are planning a parent conference at FLC with the Ute Mountain Ute, Ignacio, Durango and Cortez school districts, along with the Colorado Department of Education and Metropolitan State University of Denver.

Parents of American Indian students in Bayfield and the Southern Ute Indian Montessori Academy will be invited as well. We are hoping this conference will help parents understand the K-12 education process and how to better advocate for your children.

In April, we will have our annual Career Fair at the Sky Ute Casino Resort. More than 300 students will attend and view more than 50 business and college vendors. At this time, the Education Department will have tribal scholarship application packets and information on our Summer Youth Employment Program.

For the past three years, we have had at least 40

Southern Utes of ages 14 through 18 employed. Anyone over the age of 18 has other employment opportunities with the tribe. Under the Education Department's Adult Occupational Training Program, we can employ tribal members 16 and older. Visit the Human Resources Department for other employment opportunities.

We are planning our second Leadership in Education trip. Last year, we took 15 students to Washington, D.C.; this year, we are looking at a local state capital, such as Denver or Santa Fe. With this program, students must commit to working hard in school and having good attendance. They also develop a service-learning project and help raise some of the funds for the trip. June 3-7 is when the trip will take place.

For the past three years, the tribe has combined the high school senior and college banquet. It is very important for our young tribal members to be honored and to witness older tribal members, who may be friends or family members, obtaining their higher education. This is a way to inspire our young tribal members to go and better their selves. The banquet will be in June.

In regards to the scholarship program: As the director and a fellow tribal member, I need to clarify and let the membership know that we have researched "for-profit" colleges and institutes for four years now and recommended that the Southern Ute Indian Tribal Council no longer fund scholarships to such schools for a variety of reasons.

We have researched this issue and find that these institutions are usually financially three times the amount of a not-for-profit institution. Most colleges will not transfer credits from for-profit schools. Businesses will hire an individual with a degree from a not-for-profit school before they hire from a for-profit school.

The federal government is concerned with the amount of education money it is awarding to students that at-

tend for-profit institutions. For example: Take a student who goes to University of Colorado and applies for a Pell Grant or student loan for tuition for one term. For the same term at a for-profit institution, the government is giving the student three times the amount.

Essentially, three students from CU could be funded for every one student at a for-profit school like the University of Phoenix.

In 2011, the University of Phoenix received \$4.3 billion of income from federal student aid, nearly eight times as much as the largest nonprofit recipient, Pennsylvania State University. We have several students that have experienced, at a for-profit college, receiving loans that they had no idea they received. The students didn't want the loans, but somehow they were billed and forced to take them.

Our staff called the college on behalf of one student. We were transferred half a dozen times to try to talk to the right person. When we finally got a person, we asked them to produce documentation to show where the student signed for the loan. We were told "You are a third party entity and we will not talk to you." We then recommended the student get a lawyer.

Our experience shows that they change tuition costs and give the students one cost and the department another. They make it difficult for students to be enrolled in 15 or more credits per term, which con-

flicts with the tribe's policies. They have high employee turnover, so every year we and the student have to try to establish a relationship with a new employee.

All other institutes have academic advisors that we speak to. For-profit institutions typically have financial advisors. As director, I posed as a potential student — and I was going to be admitted, as long as I had a good credit score and some form of financial account they could access.

In addition, their recruiting practices are deceptive and mislead students. They prey on students that are eligible for Title V (financial aid minorities and people with low income). In December 2009, the University of Phoenix was fined \$78.5 million for illegally paying recruiters for the number of students they enrolled and giving empty promises of employment and prestige.

Students are not being taught to multitask. At a not-for-profit institution, a full-time student will take four to six courses a week for five months. They are learning to think in a variety of ways and have to manage numerous courses at once.

A for-profit school will normally give one or two classes every five weeks. With this type of schedule, and the courses being online, the student has a lot of downtime.

This type of system also conflicts with our scholarship distribution schedule. Policy requires grades before the next term of pay-

ments can be made. Credits overlap terms, and students are upset when we hold a scholarship payment until proof of all credits is submitted with a transcript. It is difficult for the department and student to obtain an official transcript, because there is always a hold on students' financial accounts because they forget we have a letter of credit or do not communicate with us.

Tribal policy states that we don't pay for retakes or failed courses. When this happens to a student attending a for-profit college, they have to pay more than \$1,000 for the retake — as opposed to not-for-profit colleges, in which the same course is roughly \$300. In addition, their system pushes students' graduation dates back up to five weeks for each failed course.

We spoke to the Northern Ute Tribe, and they will not fund for-profit institutions because of the costs and lack of quality.

As a Southern Ute, and being the director for 12 years, I know we are better and smarter people than what the for-profit institutions are offering us and the entire nation. Our members need to obtain a high-quality education so that our future employees, administrators and leaders can run our government and businesses with confidence and pride.

The Education Department has a web page that you can access from the tribe's main website, or call us at 970-563-0237 for help.

EDUCATION UPDATE

VALENTINE'S DAY CARD AND SCRAPBOOK CLASS

In this class participants will learn to make Valentine's Day cards from paper using rubber stamps, ribbon, lace, and other accent materials. They will also learn a fun craft technique that can be used on other cards and in scrapbooks, or photo albums. This class will be held at the Southern Ute Education Department, on Saturday, Jan. 26 from 10 a.m. until 3 p.m. Supplies will be provided, you can also bring your supplies, bring photos. If you have any questions, call Luana Herrera at 970-563-0237.

SIX MONTHS EDUCATION INTERNSHIP PROGRAM

The Southern Ute Adult Occupational Training Program is accepting applications for tribal members who are interested in working for six months as an intern. Call Luana Herrera at the Southern Ute

Accreditation. There is no deadline for the certificate program, since some vocational training schools are year round. If you are interested in applying for a scholarship, call Luana Herrera at 970-563-0237.

GED TEST DATES

The Department of Education would like to announce the GED test dates for the upcoming months: Feb. 1, March 1 and April 5. The test is held at the Southern Ute Education Building at 330 Burns Ave. Registration and payments are due by Tuesday before the test. Scholarships are available for Native Americans who live within 50 miles of the service area, spend 12 hours in class, score a 450 on practice tests and submit paperwork two weeks in advance. For more information, call Pine River Community Learning Center at 970-563-0681 or Donna Broad at 970-563-0237 or 970-749-1953. Computer based GED testing is available through the Ute

Southern Ute Police Department Christmas Light Contest Winners

Hosted by the Southern Ute Police Department
Thank you all for participating in this years 9th Christmas light contest.

1st: Frank Thompson
2nd: Teresa Campbell
3rd: Gloria Frost

Southern Ute Public Relations Christmas Door Contest Winners

1st: Human Resources Department
2nd: Tribal Services Department
3rd: All participants
Youth 1st: Southern Ute Indian Montessori Academy Upper Elementary

Sudden Science Clubs for grades 3-5 Southern Ute Education Department

Thursdays from 3:30-4:30pm

Are you a 3rd-5th grader? Not sure what to do after school?
Come discover your inner scientist in this fun, interactive class!

Have you ever wondered how to light up a light bulb? How to keep an egg safe from a three-story fall onto cement? Build a bridge with common household objects? Have you ever wanted to construct your own roller coaster, or design a "green" building? Come learn new skills, and find answers to these questions and many more during

APPENDIX

4

Health, Education, Labor, and
Pensions Senate Committee
Findings: For Profit Higher
Education: The Failure to
Safeguard the Federal Investment
and Ensure Student Success. 30
Jul. 2012

United States Senate

HEALTH, EDUCATION, LABOR AND PENSIONS COMMITTEE

**For Profit Higher Education:
The Failure to Safeguard the Federal
Investment and Ensure Student Success**



**Majority Committee Staff Report and Accompanying Minority
Committee Staff Views**

July 30, 2012

Executive Summary:

- A 2-year investigation by the Senate Committee on Health, Education, Labor, and Pensions demonstrated that Federal taxpayers are investing billions of dollars a year, \$32 billion in the most recent year, in companies that operate for-profit colleges. Yet, more than half of the students who enrolled in those colleges in 2008-9 left without a degree or diploma within a median of 4 months.
- For-profit colleges are owned and operated by businesses. Like any business, they are ultimately accountable by law for the returns they produce for shareholders. While small independent for-profit colleges have a long history, by 2009, at least 76 percent of students attending for-profit colleges were enrolled in a college owned by either a company traded on a major stock exchange or a college owned by a private equity firm. The financial performance of these companies is closely tracked by analysts and by investors.
- Congress has failed to counterbalance investor demands for increased financial returns with requirements that hold companies accountable to taxpayers for providing quality education, support, and outcomes. Federal law and regulations currently do not align the incentives of for-profit colleges so that the colleges succeed financially when students succeed.
- For-profit colleges have an important role to play in higher education. The existing capacity of non-profit and public higher education is insufficient to satisfy the growing demand for higher education, particularly in an era of drastic cutbacks in State funding for higher education. Meanwhile, there has been an enormous growth in non-traditional students—those who either delayed college, attend part-time or work full-time while enrolled, are independent of their parents, or have dependents other than a spouse. This trend has created a “new American majority” of non-traditional students.
- In theory, for-profit colleges should be well-equipped to meet the needs of non-traditional students. They offer the convenience of nearby campus and online locations, a structured approach to coursework and the flexibility to stop and start classes quickly and easily. These innovations have made attending college a viable option for many working adults, and have proven successful for hundreds of thousands of people who might not otherwise have obtained degrees.
- But for-profit colleges also ask students with modest financial resources to take a big risk by enrolling in high-tuition schools. As a result of high tuition, students must take on significant student loan debt to attend school. When students withdraw, as hundreds of thousands do each year, they are left with high monthly payments but without a commensurate increase in earning power from new training and skills.
- Many for-profit colleges fail to make the necessary investments in student support services that have been shown to help students succeed in school and afterwards, a deficiency that undoubt-

edly contributes to high withdrawal rates. In 2010, the for-profit colleges examined employed 35,202 recruiters compared with 3,512 career services staff and 12,452 support services staff, more than two and a half recruiters for each support services employee.

- This may help to explain why more than half a million students who enrolled in 2008-9 left without a degree or Certificate by mid-2010. Among 2-year Associate degree-seekers, 63 percent of students departed without a degree.
- The vast majority of the students left with student loan debt that may follow them throughout their lives, and can create a financial burden that is extremely difficult, and sometimes impossible, to escape.
- During the same period, the companies examined spent \$4.2 billion on marketing and recruiting, or 22.7 percent of all revenue. Publicly traded companies operating for-profit colleges had an average profit margin of 19.7 percent, generated a total of \$3.2 billion in pre-tax profit and paid an average of \$7.3 million to their chief executive officers in 2009.
- In the absence of significant reforms that align the incentives of for-profit colleges to ensure colleges succeed financially only when students also succeed, and ensure that taxpayer dollars are used to further the educational mission of the colleges, the sector will continue to turn out hundreds of thousands of students with debt but no degree, and taxpayers will see little return on their investment.

The Federal Investment and the Changing Sector

- In the 1990s, two-thirds of for-profit colleges enrolled students in training programs lasting less than 1 year. The sector was primarily composed of small trade schools that awarded Certificates and diplomas in fields like air-conditioning repair, cosmetology, and truck driving. While Certificate and diploma offerings have continued to grow, growth in degree programs has been more significant. Between 2004 and 2010, the number of Associate degrees awarded by for-profit colleges increased 77 percent and the number of Bachelor's degrees awarded increased 136 percent.
- For profit colleges are rapidly increasing their reliance on taxpayer dollars. In 2009-10, the sector received \$32 billion, 25 percent of the total Department of Education student aid program funds.
- Pell grants flowing to for-profit colleges increased at twice the rate of the program as a whole, increasing from \$1.1 billion in the 2000-1 school year to \$7.5 billion in the 2009-10 school year.
- Among the companies examined by the committee, the share of revenues received from Department of Education Federal student aid programs increased more than 10 percent, from 68.7 in 2006 to 79.2 percent in 2010.

- Committee staff estimates that in 2009 when all sources of Federal taxpayer funds, including military and veterans' benefits, are included, the 15 publicly traded for-profit education companies received 86 percent of revenues from taxpayers.
- For-profit colleges also receive the largest share of military educational benefit programs: 37 percent of post-9/11 GI bill benefits and 50 percent of Department of Defense Tuition Assistance benefits flowed to for-profit colleges in the most recent period. Because of the cost of the programs however, they trained far fewer students than public colleges. Eight of the top 10 recipients of Department of Veterans Affairs post-9/11 GI bill funds are for-profit education companies.

Why Are Companies that Own For-Profit Colleges Financially Successful

High Cost of Programs:

- Most for-profit colleges charge higher tuition than comparable programs at community colleges and flagship State public universities.
 - Bachelor's degree programs averaged 20 percent more than the cost of analogous programs at flagship public universities.
 - Associate degree programs averaged four times the cost of degree programs at comparable community colleges.
 - Certificate programs similarly averaged four and a half times the cost of such programs at comparable community colleges.
- The for-profit education companies examined rarely set tuition below available Federal student aid.
- Internal company documents provide examples of tuition increases being implemented to satisfy company profit goals, that have little connection to increases in academic and instruction expenses, and demonstrate that for-profit education companies sometimes train employees to evade directly answering student questions about the cost of tuition and fees.

Aggressive and Sometimes Misleading and Deceptive Recruiting Practices:

- Documents indicate that the recruiting process at for-profit education companies is essentially a sales process. Investors' demand for revenue growth is satisfied by enrolling a steady stream of new student enrollees or "starts." During the period examined, at many companies the performance of each person in the admissions chain, from CEO to newly-hired junior recruiters, was rated at least in part based on the number of students enrolled.

- The committee found that the 30 for-profit education companies examined employed 35,202 recruiters, or about one recruiter for every 53 students attending a for-profit college in 2010.
- Documents demonstrate that in order to achieve company enrollment goals, recruiting managers at some companies created a boiler-room atmosphere, in which hitting an enrollment quota was the recruiters' highest priority. Recruiters who failed to bring in enough students were put through disciplinary processes and sometimes terminated. Before a ban on incentive compensation was re-instituted in mid-2011, recruiters' salaries at many for-profit colleges were tightly tied to enrolling a certain number of new students.
- Internal documents, interviews with former employees, and Government Accountability Office (GAO) undercover recordings demonstrate that many companies used tactics that misled prospective students with regard to the cost of the program, the availability and obligations of Federal aid, the time to complete the program, the completion rates of other students, the job placement rate of other students, the transferability of the credit, or the reputation and accreditation of the school.
- For-profit colleges seek to enroll a population of non-traditional prospective students who are often not familiar with traditional higher education and may be facing difficult circumstances in their lives. Recruiting materials indicate that at some for-profit colleges, admission representatives were trained to locate and push on the pain in students' lives. They were also trained to "overcome objections" of prospective students in order to secure enrollments. Additionally, companies trained recruiters to create a false sense of urgency to enroll and inflate the prestige of the college.
- For-profit colleges gather contact information of prospective students, or "leads," by paying third-party companies known as "lead generators" that specialize in gathering and selling the information. Among the 62 lead generators used by companies analyzed, the cost per lead ranged between \$10 and \$150. Lead generators advertise themselves as a free, safe, and reliable way to get information about college, but lead generator Web sites generally direct students only to schools and programs that pay them, and have a history of engaging in online marketing using aggressive and misleading methods.
- Servicemembers, veterans, spouses, and family members have become highly attractive prospects to for-profit colleges, and many schools have put significant resources into recruiting and enrolling students eligible for these benefits.
 - Lead generation Web sites, specifically designed to attract members of the military and veterans, use layouts and logos similar to official military websites, but do not inform users that the purpose of the site is to collect contact information on behalf of the site's for-profit college clients.
 - Internal documents show that some schools' pursuit of military benefits led them to recruit

from the most vulnerable military populations, sometimes recruiting at wounded warrior centers and veterans hospitals.

- In addition to aggressively seeking military personnel, the investigation showed that some recruiters misled or lied to service members as to whether their tuition would be fully covered by military benefits.

How Are Students Performing

Because a large proportion of students attending for-profit colleges are not first time, full-time students, and therefore fall outside the Department of Education's tracking of student outcomes, it is difficult to understand how many students are succeeding at for-profit colleges and in what types of degree programs. To fill the information gap, committee staff analyzed retention and withdrawal information for a cohort of students enrolling between 2008-9 and found that:

- 596,556 students who enrolled in 2008-9, or 54 percent, left without a degree or Certificate by mid-2010.
- 298,476 students who enrolled in 2-year Associate degree programs in 2008-9, or 63 percent, departed without a degree. Nine companies had Associate degree programs with withdrawal rates over 60 percent.
- Online: Among companies that provided data that enabled committee staff to compare students attending online and on-campus, students attending online withdrew at much higher rates. Sixty-four percent of students attending online programs left without a degree compared to 46 percent of students attending campus-based programs offered by the same companies.
- Publicly Traded: Colleges owned by a company that is traded on a major stock exchange had 2008-9 student withdrawal rates 9 percent higher than the privately held companies examined. Among the 15 publicly traded companies, 55 percent of students departed without a degree. Among the 15 privately held companies examined, 46 percent of students departed without a degree.

Why Do Many Students Fail to Complete For-Profit Programs

Spending Choices of For-Profit Education Companies:

- For-profit colleges devote tremendous amounts of resources to non-education related spending including marketing, recruiting, profit and executive compensation, while spending relatively small amounts on instruction. In fiscal year 2009, the education companies examined by the committee spent:

- \$4.2 billion or 22.7 percent of all revenue on marketing, advertising, recruiting, and admissions staffing.
- \$3.6 billion or 19.4 percent of all revenue on pre-tax profit.
- \$3.2 billion, or 17.2 percent of all revenue on instruction.
- This means that the companies together devoted less to actual instruction costs (faculty and curriculum) than to either marketing and recruiting or profit.
- Additionally, the CEOs of the publicly traded, for-profit education companies took home, on average, \$7.3 million in 2009. In contrast, the five highest paid leaders of large public universities averaged compensation of \$1 million, while the five highest paid leaders at non-profit colleges and universities averaged \$3 million.

Academic Quality:

- Undercover observation by the GAO and student complaints reveal that some for-profit schools have curricula that do not challenge students and academic integrity policies that are sometimes not enforced.
- The use of part-time faculty is a key component of the efficiencies the for-profit model can deliver, but it must be balanced with ensuring that the faculty is able to exercise genuine academic independence and has a vested stake in the quality of the institution. The investigation found that in 2010, 80 percent of the faculty employed at the schools examined was part-time. Ten companies had more than 80 percent part-time faculty and five companies had more than 90 percent part-time faculty.

Student Services:

- The investigation found that while for-profit colleges make large investments in staff to recruit new students, once a student is enrolled that same level of service is often not available. This is true even though the companies seek to enroll the students that research demonstrates are most critically in need of those services. As Dr. Arnold Mitchem, president of the Council for Opportunity in Education told the committee: “First of all, we all need to understand there’s a radical difference in educating and graduating a low-income first-generation student than there is a middle-income student ... [In] the for-profit sector they address the financial barriers, but they have not adequately addressed the supportive services barriers.”
- While the investigation demonstrated a wide variety among for-profit colleges in the commitment to student services staffing and to the student services provided, overall the companies

examined employed almost three times as many recruiters as student service representatives.

Career Placement Services:

- The disparity in staffing is more acute when it comes to career services staff. The committee staff analysis indicates that for-profit colleges employ about 10 recruiters for every career services staff member. Despite advertising that attending the school is a pathway to a better job or career, two of the largest for-profit colleges have no career services staff to help students.
- Testimony and internal documents indicate that at some for-profit colleges career services staff are often more focused on meeting placement quotas required by some accreditors than actually helping students achieve quality jobs in the field of their degree or Certificate.

Programmatic Accreditation and Licensure:

- Some for-profit colleges train students in fields that require programmatic accreditation, in addition to institutional accreditation, in order for graduates to obtain employment in the field. Institutions that offer programs that lack programmatic accreditation are inconsistent in how they disclose this lack of programmatic accreditation. While some programs are upfront about this issue, others post the disclosure deep in their Web sites or in the fine print in their enrollment agreements, while framing the disclosure in terms that makes it difficult for students to recognize the gravity of this issue.

What Are the Consequences for Students

- Ninety-six percent of for-profit students take out student loans, according to the most recent U.S. Department of Education data. In comparison, 13 percent of students at community colleges, 48 percent at 4-year public, and 57 percent at 4-year private non-profit colleges borrow money to pay for school.
- For-profit schools enroll far more high-dollar borrowers. Fifty-seven percent of Bachelor's students who graduate from a for-profit college owe \$30,000 or more. In contrast, 25 percent of those who earned degrees in the private, non-profit sector and 12 percent from the public sector borrowed at this level.
- Because many students who attend for-profit colleges are unable to get financing through private lending companies, many participate in institutional loan programs operated by for-profit education companies. The committee staff found that institutional loans operated by for-profit education companies often carry high interest rates, and do not provide students with the same safeguards as Federal loans.
- In 2009 seven large for-profit education companies offered institutional loans with interest rates ranging from 11.2 to 18 percent. During this period the Stafford loan rate was 5.6 percent. These

same companies listed expected default rates of 42 to 80 percent.

- Students who attended a for-profit college accounted for 47 percent of all Federal student loan defaults. More than 1 in 5 students enrolling in a for-profit college—22 percent—default within 3 years of entering repayment on their student loans.
- Default rates are driven by students who drop out, those who are left with debt but little means to repay it given the incomplete education and lack of a degree. Students' ability to repay their loans is tightly tied to whether the student stayed in school and achieved a degree.
- Students who attend for-profit schools are more likely to experience unemployment after leaving school. According to a National Center for Education Statistics study, 23 percent of students who attended for-profit schools in 2008-9 were unemployed and seeking work.

Why is This Happening

- Accreditation: The self-reporting and peer-review nature of the accreditation process exposes it to manipulation by companies that are more concerned with their bottom line than with academic quality and improvement. Accrediting agencies seek to help colleges improve. Because of this institutional focus on continuous improvement, they sometimes appear to have difficulty drawing and enforcing bright lines and minimum standards.
- State Oversight: State oversight of for-profit education companies has eroded over time due to a variety of factors, including State budget cuts and the influence of the for-profit college industry with State policymakers. The U.S. Department of Education had never defined minimum requirements for State authorization, and many States have taken a passive or minimal role in approving institutions, reviewing and addressing complaints from students and the public, and ensuring that colleges are in compliance with State consumer protection laws.
- Federal Law and Regulation: Federal regulations impose two key checks on for-profit colleges: the proportion of Federal money that the colleges collect, known as the 90/10 rule, and the percentage of students who may default on Federal student loans before the college loses eligibility for Federal financial aid. In addition, some accreditors also require colleges to meet standards regarding the percentage of graduates who obtain employment in their field of study. Some for-profit colleges employ questionable tactics to meet these requirements.
- The investigation documented the use of multiple strategies to comply with the letter of the 90/10 rule with policies that defy the goal and spirit of the regulation.
 - Since for-profit colleges report 90/10 figures by Office of Postsecondary Education ID (OPEID) numbers, instead of by campus, and one OPEID may contain multiple cam-

panies, some companies consolidate and switch campuses between OPEIDs to lower their reported 90/10 number regardless of the proximity of the campus.

- Some for-profit colleges have stopped the flow of student aid funds to certain OPEIDs at the end of the fiscal year. This tactic may hurt students because campuses that do not receive student aid funds may not disburse, in a timely manner, living-expense checks to students who depend on those funds to pay for books, housing, food, transportation, and childcare.
- Some schools have raised their initial enrollment fee—which must be paid in cash—or insisted on cash payments from students in order to lower their reported 90/10 ratio. While asking students to make up-front payments on their education can be a good idea because it is interest-free and also helps them to understand what it will be like to make payments on their loans later, it seems that some for-profit schools are primarily seeking to drive down their 90/10 ratios with these cash payments.
- Department of Education regulations dictate that scholarships awarded to a student do not count as Federal financial aid and instead count on the “10” side of the 90/10 calculation, but only if the scholarships are awarded by an organization independent of the school. Several companies that operate for-profit colleges have designed scholarship programs that should be more closely scrutinized.
- Some schools increase tuition in order to create a gap between the total amount of Federal aid a student can receive and the cost of attending. This illustrates the fundamental problem with the cost of for-profit schools—that the tuition fees and other academic charges bear no relationship to the cost of providing the education. This gap means that students attending these schools must find even more financing by taking out private loans, taking on more debt through a private or institutional loan, or making monthly cash payments, often by credit card, directly to the school to pay for the artificially high cost of the school. The student is left with more debt, likely at a higher rate of interest, so the school can generate sufficient non-Federal income.
- Because neither Department of Defense (DOD) nor Veterans Affairs (VA) educational benefits originate in Title IV of the Higher Education Act, money received through these programs is not counted as Federal financial aid for the purposes of 90/10. This loophole creates an incentive to see servicemembers as nothing more than “dollar signs in uniform.”
- Many for-profit education companies also commit significant resources to default management efforts that keep students out of default for the duration of the 2-year (soon 3-year) monitoring window. Default management may involve a multitude of strategies premised on sound goals, such as enrolling students who are likely to graduate and succeed, giving those students the support and tools they need to learn and secure a degree that is valued in the job marketplace, helping them secure a well-paying job, and offering financial literacy classes and quality debt counseling. However, internal documents show that at some schools the emphasis is on signing

students up for forbearance and deferment with the sole goal of protecting the colleges so that they do not lose access to Federal taxpayer-funded student aid dollars.

- Evidence suggests that some for-profit colleges use forbearance and deferment as tools to move the school's default rate, without concern for a students' particular situation or whether it is in the best financial interest of the individual. Many students will end up paying more over the life of their loan after a forbearance or deferment.
- As default rates have increasingly become a problem for for-profit colleges, many have turned for help to third party vendors that operate call centers with hundreds of employees trained to "cure" student defaults. While the vendor used by at least 12 of the 30 companies examined counsels delinquent students on all repayment options, including income-based repayment options, internal documents demonstrate that the majority of students approached by the vendor end up in forbearance, leading to increased debt. Documents obtained from four large for-profit education companies demonstrate that, on average, over 75 percent of the students "cured" were forbearances or deferments, while only 24 percent were the result of a student making payments on their loans.
- For-profit colleges market themselves as career focused, and encourage students to enroll by offering the prospect of better jobs and better wages. Accordingly, for-profit colleges use job placement data to promote their programs, and to satisfy national accrediting agencies and State regulators that the students who complete the programs are finding jobs in their field. However, when job placement rates are audited by outside agencies, problems have repeatedly been found, and a number of law enforcement investigations over the past 5 years have revealed falsified information in the placement rates of some colleges.
- Rapid enrollment growth and lack of adequate policies and procedures have also led to situations in which for-profit colleges have improperly retained unearned title IV student aid funds that should have been returned to the Department of Education, or are not returning the funds in a timely matter.

What Needs to Be Done

- Enhance transparency by collecting relevant and accurate information about student outcomes.
 - Require that the Department of Education collect comprehensive student outcome information and enable data retrieval by corporate ownership;
 - Establish a uniform and accurate methodology for calculating job placement rates;
 - Increase the regulation of private lending.

- Strengthen the oversight of Federal financial aid.
 - Tie access to Federal financial aid to meeting minimum student outcome thresholds;
 - Prohibit institutions from funding marketing, advertising and recruiting activities with Federal financial aid dollars;
 - Improve cohort default rate tracking by expanding the default reporting rate period beyond 3 years;
 - Require that for-profit colleges receive at least 15 percent of revenues from sources other than Federal funds;
 - Use criteria beyond accreditation and State authorization for determining institutions' access to Federal financial aid.

- Create meaningful protections for students.
 - Create an online student complaint clearinghouse, managed by the Department of Education, for the collection and referral of student complaints to appropriate overseeing agencies, organizations and divisions;
 - Prohibit institutions that accept Federal financial aid from including mandatory binding arbitration clauses in enrollment agreements;
 - Enforce minimum standards for student services that include tutoring, remediation, financial aid, and career counseling and job placement;
 - Extend the ban on incentive compensation to include all employees of institutions of higher education, and clarify that this ban extends to numeric threshold or quota-based termination policies.