



Dr. Ramdas Pai
Chancellor
Kasturba Medical College
University Medical, Manipal
Manipal
Karnataka 576 119
INDIA

UPS Delivery
Tracking # 1ZA879640493545771

FEB 21 2014

RE: Final Program Review Determination
OPE ID: 00845000
PRCN: 200641125554

Dear Chancellor Pai:

The U.S. Department of Education's (Department's) Foreign Schools Participation Division issued a program review report on November 6, 2008 covering Kasturba Medical College's (KMC) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2003-2004, 2004-2005 and 2005-2006 Award Years. KMC's final response was received on July 19, 2013. A copy of the program review report (and related attachments) is attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by KMC upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to: (1) identify liabilities resulting from the findings of this program review report, (2) provide instructions for payment of liabilities to the Department, (3) notify the institution of its right to appeal and (4) close the review.

Due to the serious nature of one or more of the enclosed findings, in the normal course, this FPRD would have been referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for its consideration of possible adverse action (e.g. fine). Since KMC is no longer participating in the Title IV programs, this FPRD will not be referred at this time; however, should KMC apply for reinstatement in the future, in addition to meeting all other requirements, this matter will need to be addressed. Please note that the appeal instructions contained herein apply only to the appeal of the financial liabilities established in this final program review determination.

Federal Student

AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

830 First St., N.E. Washington, D.C. 20202

StudentAid.gov

The total liabilities due directly to the Department from the institution for this program review are \$326,293.00. Any liability of \$100,000.00 or more identified through a program review must be repaid to the Department via FEDWIRE. Instructions for completing the electronic fund transfer message format are included on the attached FEDWIRE form.

This final program review determination contains detailed information about the liability determination for all findings.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the findings in the attached Final Program Review Determination, the Program Review Report and KMC's response does not contain any student PII. Instead, each of the findings references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendices A through G, Student Samples, which were included in the Program Review Report that was issued to the Institution on November 6, 2008.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the November 6, 2008 program review report. If KMC wishes to appeal to the Secretary for a review of financial liabilities established by the FPRD, the institution must file a written request for an administrative hearing. Please note that institutions may appeal financial liabilities only. The Department must receive the request no later than 45 days from the date KMC receives this FPRD. An original and four copies of the information KMC submits must be attached to the request. The request for an appeal must be sent to:

Ms. Mary E. Gust, Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid/PC
830 First Street, NE - UCP3, Room 84F2
Washington, DC 20002-8019

KMC's appeal request must:

- (1) indicate the findings, issues and facts being disputed;
- (2) state the institution's position, together with pertinent facts and reasons supporting its position;

- (3) include all documentation it believes the Department should consider in support of the appeal. An institution may provide detailed liability information from a complete file review to appeal a projected liability amount. Any documents relative to the appeal that include PII data must be redacted except the student's name and last four digits of his/her social security number (please see the attached document, "Protection of Personally Identifiable Information," for instructions on how to mail "hard copy" records containing PII); and
- (4) include a copy of the FPRD. The program review control number (PRCN) must also accompany the request for review.

If the appeal request is complete and timely, the Department will schedule an administrative hearing in accordance with § 487(b)(2) of the HEA, 20 U.S.C. § 1094(b)(2). The procedures followed with respect to KMC's appeal will be those provided in 34 C.F.R. Part 668, Subpart H. **Interest on the appealed liabilities shall continue to accrue at the applicable value of funds rate, as established by the United States Department of Treasury, or if the liabilities are for refunds, at the interest rate set forth in the loan promissory note(s).**

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

If the institution has any questions regarding this letter, please contact Mr. Alan Toms at 202-377-4870. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

(b)(6); (b)(7)(C)

Michael Frola
Director
Foreign Schools Paritipation Division

Enclosures: Final Program Review Determination
Copy of Program Review Report
FEDWIRE form
Protection of Personally Identifiable Information

cc: Dr. Ramdas Pai, Chancellor, ramdas.pai@unipar.edu
Patricia Edelson, Patricia.Edelson@diapiper.com

**DEPARTMENT OF EDUCATION
FED-WIRE EFT MESSAGE FORMAT & INSTRUCTIONS**

ABA Number 021030004	Type/Sub-Type	
Sender No.:	Sender Ref. No.	Amount ①

Sender Name (Automatically inserted by the Federal Reserve Bank)

Treasury Department Name/CTR/
TREAS NYC / CTR /

BNF=ED / AC - 91020001 OBI=

Name / City / State:

②

DUNS / TIN:

③

FOR:

④

INSTRUCTIONS

A. Complete circled items 1-4 above as follows:

- ① Indicate amount including cents digits.
- ② Indicate Name, City, and State.
- ③ Indicate DUNS Number and Taxpayer Identification Number (TIN).
- ④ Enter the reason for the remittance: Name of Institution, OPE ID Number, LOC Number (include any amendments) and LOC Amount.

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION

Personally Identifiable Information (PII) being submitted to the Department must be protected. PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).

PII being submitted electronically or on media (e.g., CD-ROM, floppy disk, DVD) must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 9.0) and are encrypted with AES encryption. Zipped files using WinZip must be saved as Legacy compression (Zip 2.0 compatible).

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data. The password must be 12 characters in length and use three of the following: upper case letter, lower case letter, number, special character. A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- sent via a shipping method that can be tracked with signature required upon delivery
- double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- labeled with both the "To" and "From" addresses on both the inner and outer packages
- identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.