January 12, 2015

Stephen M. Jordan
Metropolitan State University of Denver
890 Auraria Parkway
Denver, CO 80204-3362

Certified Mail
Return Receipt Requested
7012 1640 0000 0216 4109

RE: **Final Program Review Determination**
OPE ID: 00136000
PRCN: 201230827927

Dear Dr. Jordan:

The U.S. Department of Education's (Department's) Chicago/Denver School Participation Division issued a program review report on June 17, 2013 covering Metropolitan State University of Denver (Metro) administration of programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The institution's final response was received on November 20, 2013.

The School Participation Team - Chicago/Denver School Participation Division has reviewed Metro's response to the Program Review Report. A copy of Metro's program review report response is attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Metro 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.

Metro's response has resolved the findings. In addition, Metro has provided assurances that the appropriate corrective actions have been taken to resolve and prevent future occurrences of the findings. Therefore, Metro may consider the program review closed with no further action required.

Program records relating to the period covered by this program review must be retained until the later of: the resolution of the loan(s), claim(s) or expenditure(s) questioned in the program review [34 C.F.R. § 668.24(e)(3)(i)] or the end of the retention period applicable to the record [34 C.F.R. § 668.24(e)(1) and (e)(2)].

If you have any questions please call Eric Schmidt at (312) 730-1723.

Sincerely,

(b)(6)

Douglas A. Parrott
Director
Chicago/Denver School Participation Team

Enclosure: Program Review Report
Metro's Response to the Program Review Report

cc: Cynthia L. Hejl, Director of Financial Aid
North Central Association of Colleges and Schools, the Higher Learning Commission

Prepared for

Metropolitan State University of Denver

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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OPE ID 00136000
PRCN 201230827927

Prepared by
U.S. Department of Education
Federal Student Aid
Chicago/Denver School Participation Division

Final Program Review Determination

January 12, 2015

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A. Institutional Information

Metropolitan State University of Denver
1006 11th Street
Denver, CO 80217

Type: Public

Highest Level of Offering: Master's Degree

Accrediting Agency: Higher Learning Commission

Current Student Enrollment: 23,350 (2012)

% of Students Receiving Title IV: 67% (2010-11)

Title IV Participation (COD and G5):

	2011-2012
Federal Pell Grant (Pell)	$36,460,749
Federal Supplemental Educational Educational Opportunity Grant (FSEOG)	$500,914
Federal Work Study (FWS)	$623,117
Teacher Education Assistance for College and Higher Education Grant (TEACH)	$201,000
William D. Ford Federal Direct Loan Program (Direct Loan)	$106,722,289

Default Rate FFEL/DL:	2010 10.7%
	2009 11.3%
	2008 11.0%
Default Rate Perkins:	2010 14.2%
	2009 7.0%
	2008 16.9%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Metropolitan State University of Denver (Metro) from June 11, 2012 to June 13, 2012. The review was conducted by Joseph Massman and Mark Diestler.

The focus of the review was to determine Metro's compliance with the statutes and federal regulations as they pertain to the institution's administration of the Title IV, HEA programs. The review consisted of, but was not limited to, an examination of Metro's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and consumer information requirements.

A sample of 15 files was identified for review from the 2011-2012 (year to date) award year. The student files were selected randomly from the list of students who 1) withdrew or ceased attendance for any reason other than graduation; 2) were selected for verification; and 3) received all non-passing grades ("0" GPA) for any term within the award year being reviewed. A program review report was issued on June 17, 2013 .

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning Metro's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve Metro of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Resolved Findings

Metro has taken the corrective actions necessary to resolve both findings. Therefore, both findings may be considered closed.

E. Appendices

Appendix A Program Review Report
Appendix B Metro's Program Review Report Response

Appendix A

Program Review Report

June 17, 2013

Stephen M. Jordan
Metropolitan State University of Denver
890 Auraria Parkway
Denver, CO 80204-3362

Certified Mail
Return Receipt Requested
7012 1640 0000 0567 7606

RE: **Program Review Report**
OPE ID: 00136000
PRCN: 201230827927

Dear Dr. Jordan:

From June 11, 2012 through June 13, 2012, Joseph Massman and Mark Diestler conducted a review of Metropolitan State University of Denver's (Metro) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The findings of that review are presented in the enclosed report.

Findings of noncompliance are referenced to the applicable statutes and regulations and specify the action required to comply with the statute and regulations. Please review the report and respond to each finding, indicating the corrective actions taken by Metro. The response should include a brief, written narrative for each finding that clearly states Metro's position regarding the finding and the corrective action taken to resolve the finding. Separate from the written narrative, Metro must provide supporting documentation as required in each finding.

Please note that pursuant to HEA section 498A(b), the Department is required to:

(1) provide to the institution an adequate opportunity to review and respond to any preliminary program review report[1] and relevant materials related to the report before any final program review report is issued;
(2) review and take into consideration an institution's response in any final program review report or audit determination, and include in the report or determination –
    a. A written statement addressing the institution's response;
    b. A written statement of the basis for such report or determination; and
    c. A copy of the institution's response.

[1] A "preliminary" program review report is the program review report. The Department's final program review report is the Final Program Review Determination (FPRD).

The Department considers the institution's response to be the written narrative (to include e-mail communication). Any supporting documentation submitted with the institution's written response will not be attached to the FPRD. However, it will be retained and available for inspection by Metro upon request. Copies of the program review report, the institution's response, 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 the FPRD is issued.

The institution's response should be sent directly to Joseph Massman of this office within 30 calendar days of receipt of this letter.

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 report do not contain any student PII. Instead, each finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. The appendix was encrypted and sent separately to the institution via e-mail.

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).

We would like to express our appreciation for the courtesy and cooperation extended during the review. Please refer to the above Program Review Control Number (PRCN) in all correspondence relating to this report. If you have any questions concerning this report, please contact Joseph Massman at 303-844-0432 or Joseph.Massman@ed.gov.

Sincerely,

Earl Flurkey
Compliance Manager

Cc: Cynthia L. Hejl, Financial Aid Administrator

Enclosure:
Protection of Personally Identifiable Information

Prepared for

Metropolitan State University of Denver

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of the AMERICAN MINE

OPE ID 00136000
PRCN 201230827927

Prepared by
U.S. Department of Education
Federal Student Aid
Chicago/Denver School Participation Division

Program Review Report

June 17, 2013

Chicago/Denver School Participation Division
1244 Speer Blvd. Suite 201, Denver, CO 80204-3518

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A. Institutional Information

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The focus of the review was to determine Metro's compliance with the statutes and federal regulations as they pertain to the institution's administration of the Title IV, HEA programs. The review consisted of, but was not limited to, an examination of Metro's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and consumer information requirements.

A sample of 15 files was identified for review from the 2011-2012 (year to date) award year. The student files were selected randomly from the list of students who 1) withdrew or ceased attendance for any reason other than graduation; 2) were selected for verification; and 3) received all non-passing grades ("0" GPA) for any term within the award year being reviewed. Appendix A identifies the students whose files were examined during the program review.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning Metro's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve Metro of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, some areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by Metro to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1. Return of Title IV Funds Made Late

Citation: For all Title IV recipients who withdraw prior to the completion of their period of enrollment, Title IV regulations require participating institutions to determine the amount of Title IV aid that was earned by the student, as well as unearned aid that may be due back from either the school or the student. 34 C.F.R. § 668.22(a). An institution must return the amount of unearned Title IV funds for which it is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew. 34 C.F.R. § 668.22(j).

Noncompliance: Student #9 unofficially withdrew from the Fall 2011 term, having received failing grades in all courses in which he was enrolled. Metro determined on December 22, 2011 that the student had unofficially withdrawn. Metro returned the student's unearned aid to the Department on February 6, 2012, 46 days after the date of the institution's determination that the student withdrew.

Required Action: Untimely payment of Title IV refunds may result in unnecessary interest costs accruing for the affected students and for the Department. In the case of the untimely refund cited in this finding, no interest costs were accrued by the student and the interest costs accrued by the Department have been determined to be minimal. Therefore, no interest costs will be assessed to Metro for this finding.

In response to this finding, Metro must be more diligent with its refund processing. The institution must ensure that procedures are enacted to prevent this deficiency from reoccurring (see Finding 2 below).

Finding 2. Return of Title IV Funds Policy Not Developed / Inadequate

Citation: All institutions participating in the Title IV, HEA programs must meet certain requirements of administrative capability. One of these requirements is to have written procedures for the various offices with respect to the approval, disbursement, and delivery of Title IV, HEA programs. 34 C.F.R. § 668.16(b)(4).

Noncompliance: The written Return of Title IV Funds procedures provided by Metro fail to specify the required 45-day timeframe for the return of unearned Title IV, HEA funds.

Required Action: Failure of an institution to specify in its written procedures the required timeframe for the return of unearned Title IV, HEA funds creates the potential for untimely refunds (see Finding 1 above), and could potentially result in monetary liabilities to the institution and/or to students through interest costs. Accordingly, as part of its response to this report, Metro must provide revised written procedures for Return of Title IV Funds which have been updated to clearly state the timeframe for the timely return of unearned Title IV, HEA funds.

E. Appendices

Appendix A (Student Sample) contains personally identifiable information and will be emailed to Metro as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) will be sent in a separate email.