



February 3, 2015

Dr. John Peiper  
President  
St. Louis College of Pharmacy  
4588 Parkview Place  
St. Louis, MO 63110-1088

UPS Tracking #: 1ZA879640292267505

RE: **Final Program Review Determination**  
OPE ID: 00250400  
PRCN: 201330728282

Dear Dr. Peiper:

The U.S. Department of Education's (Department's) School Participation Team – Kansas City issued a program review report on November 13, 2013 covering St. Louis College of Pharmacy's (STLCOP) 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 2011-12 and 2012-13 award years. STLCOP's final response was received on January 14, 2014. A copy of the program review report (and related attachments) and STLCOP's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by STLCOP 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, and (3) notify the institution of its right to appeal.

This FPRD contains one or more findings regarding STLCOP's failure to comply with the requirements of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (*Clery Act*) in Section 485(f) of the HEA, 20 U.S.C. § 1092(f), and the Department's regulations at 34 C.F.R. §§ 668.41, 668.46, and 668.49. Because *Clery Act* findings do not result in a financial liability, such findings may not be appealed. If an adverse administrative action is initiated, additional information about STLCOP's appeal rights will be provided under separate cover.

The total liabilities due from the institution from this program review are \$362.

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

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

U.S. Department of Education, Federal Student Aid, School Participation Division– Kansas City  
One Petticoat Lane, 1010 Walnut, Suite 336, Kansas City, MO 64106  
[www.FederalStudentAid.ed.gov](http://www.FederalStudentAid.ed.gov)

**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. In addition, Appendices B and C also contain PII.

**Appeal Procedures:**

This constitutes the Department's FPRD with respect to the liabilities identified from the November 13, 2013 program review report. If STLCOP 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 STLCOP receives this FPRD. An original and four copies of the information STLCOP 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

STLCOP'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 STLCOP's appeal will be those provided in 34 C.F.R. Part 668, Subpart

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**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).

The Department expresses its appreciation for the courtesy and cooperation extended during the review. If the institution has any questions regarding this letter, please contact Jenny Armontrout at [jenny.armontrout@ed.gov](mailto:jenny.armontrout@ed.gov) or (816) 268-0516. 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)

Ralph LoBosco  
Division Director

Enclosure:

Protection of Personally Identifiable Information

Program Review Report (and appendices)

Final Program Review Determination Report (and appendices)

cc: Mr. Daniel Stiffler, Financial Aid Administrator  
Director, North Central Association of Colleges and Schools – CIHE (Higher Educ)  
Director, Missouri Coordinating Board for Higher Education

Prepared for

**St. Louis College of Pharmacy**

**Federal Student Aid**  
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**OPE ID: 00250400**

**PRCN: 201330728282**

Prepared by

**U.S. Department of Education**

**Federal Student Aid**

**School Participation Division – Kansas City**

## **Final Program Review Determination**

**February 3, 2015**

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**A. Institutional Information**

St. Louis College of Pharmacy  
4588 Parkview Place  
St. Louis, MO 63110-1088

Type: Private nonprofit

Highest Level of Offering: Doctoral degree

Accrediting Agency:  
North Central Association of Colleges and Schools – CIHE (Higher Educ)  
Missouri Coordinating Board for Higher Education

Current Student Enrollment: 1,299 (2012-2013)

% of Students Receiving Title IV: 81% (2012-2013)

Title IV Participation (Postsecondary Education Participants System):

	<u>2011-2012</u>
Federal Pell Grant	\$ 580,260
Federal Supplement Education Opportunity Grant (FSEOG)	\$ 280,553
Federal Work-Study (FWS)	\$ 193,964
Federal Perkins Loans(Perkins)	\$ 159,000
Federal Direct Loans (DL)	\$18,478,879

Default Rate DL:	2010	.8%
	2009	.0%
	2008	2.0%

Default Rate Perkins:	2010	8.6%
	2009	6.7%
	2008	2.6%

## **B. Scope of Review**

The U.S. Department of Education (the Department) conducted a program review at St. Louis College of Pharmacy (STLCOP) from May 20, 2013 to May 24, 2013. The review was conducted by Jenny Armontrout, Bridget Johnston, and Rick Moore.

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

A sample of 30 files was identified for review from the 2011-2012 and 2012-2013 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. In addition, 5 files were selected based on students who withdrew and had a Return of Title IV funds (Return) calculation performed. Appendix A identifies the sample of 30 students whose files were examined during the program review, and Appendix B identifies the sample of students reviewed for Return calculations. Additionally, Appendix C identifies student from the SAP file review STLCOP conducted that did not meet the updated, required standards. A program review report was issued on November 13, 2013.

### **Disclaimer:**

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning STLCOP'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 STLCOP 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**

STLCOP has taken the corrective actions necessary to resolve Findings 1, 5, 7, 8, 9, and 10 of the program review report. Therefore, these findings may be considered closed. STLCOP's response to the PRR resolving these issues can be found in Appendix E. Findings requiring further action by STLCOP are discussed below.

### **Findings with Final Determinations**

The program review report finding(s) requiring further action are summarized below. At the conclusion of each finding is a summary of STLCOP's response to the finding, and the Department's final determination for that finding. A copy of the program review report issued on November 13, 2013 is attached as Appendix D.

#### ***Finding 2: Crime Awareness Requirements Not Met - Omitted/Inadequate/Incomplete Campus Safety Policy and Statistical Disclosures and Failure to Actively Distribute the Annual Security Report as a Comprehensive Document***

***Citation Summary:*** *The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the Clery Act) and the Department's regulations require that all institutions that receive Title IV, HEA funds must, by October 1 of each year, publish and distribute to its current students and employees through appropriate publications and mailing, a comprehensive Annual Security Report (ASR) that contains, at a minimum, all of the statistical and policy elements described in 34 C.F.R. § 668.46(b).*

*The ASR must be prepared and actively distributed as a single document. Acceptable means of delivery include U.S. Mail, hand delivery, or campus mail distribution to the individual or posting on the institution's website. If an institution chooses to distribute its report by posting to an internet or intranet site, the institution must, by October 1 of each year, distribute a notice to all students and employees that includes a statement of the report's availability and its exact electronic address, a description of its contents, as well as an advisement that a paper copy will be provided upon request. 34 C.F.R. § 668.41(e)(1) The Department's regulations also require participating institutions to provide a notice to all prospective students and employees that includes a statement about the ASR's availability, its contents, and its exact electronic address if posted to a website. This notice must also advise interested parties of their right to request a paper copy of the ASR and to have it furnished upon request. 34 C.F.R. § 668.41(e)(4).*

*Specifically, the Clery Act and the Department's regulations require institutions to include statistics for incidents of crimes reported during the three most recent calendar*

*years. The covered categories include criminal homicide (murder and non-negligent manslaughter), forcible and non-forcible sex offenses, robbery, aggravated assaults, burglary, motor vehicle theft, and arson. Statistics for certain hates crimes as well as arrest and disciplinary referral statistics for violations of certain laws pertaining to illegal drugs, illegal usage of controlled substances, liquor, and weapons also must be disclosed in the ASR. These crime statistics must be published for the following geographical categories:*

- 1) on campus;*
- 2) on-campus student residential facilities;*
- 3) certain non-campus buildings and property; and,*
- 4) certain adjacent and accessible public property.*

*34 C.F.R. § 668.46(c)(1).*

*The ASR must include several policy statements. These disclosures are intended to inform the campus community about the institution's security policies, procedures, and the availability of programs and resources as well as channels for victims of crime to seek recourse. In general, these policies include topics such as the law enforcement authority and practices of campus police and security forces, incident reporting procedures for students and employees, and policies that govern the preparation of the report itself. Institutions are also required to disclose alcohol and drug policies and educational programs. Policies pertaining to sexual assault education, prevention, and adjudication must also be disclosed. Institutions also must provide detailed policies of the issuance of timely warnings, emergency notifications, and evacuation procedures. All required statistics and policies must be included in a single comprehensive document, known as an ASR. With the exception of certain drug and alcohol program information, cross referencing to other publications is not sufficient to meet the publication and distribution requirements of the Act. §485(f) of the HEA; 34 C.F.R. § 668.46(b).*

*Finally, each institution must also submit its crime statistics to the Secretary for inclusion in the Department's online campus crime statistics database called the "Campus Safety and Security Data Analysis Cutting Tool (CSSDACT)." 34 C.F.R. § 668.41(e)(5).*

***Noncompliance Summary:*** *STLCOP violated multiple provision of the Clery Act. Specifically, the College failed to publish and distribute accurate and complete 2012 and 2011 ASRs as comprehensive documents that included all required policy, procedural, programmatic, and statistical disclosures. The Department also finds that STLCOP failed to meet the active distribution and notification requirements as a result of the numerous and material omissions.*

*The deficiencies noted during the Department's analysis of STLCOP's 2012 and 2011 ASRs include the following:*

- *A description of the type and frequency of programs designed to a) inform students and employees about campus security procedures and practices and b) encourage students and employees to be responsible for their own security and the security of others;*
- *A description of programs designed to inform students and employees about the prevention of crimes; and,*
- *A statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses, and procedures to follow when a sex offense occurs.*
  - *The statement must include: a description of educational programs to promote the awareness of rape, acquaintance rape, and other forcible and non-forcible sex offenses*

*In addition, STLCOP failed to collect and disclose campus crime statistics from the St. Louis Metro Police regarding the public property that is immediately adjacent to and accessible from STLCOP's campus, as required. After contacting the St. Louis Police Metropolitan Department (SLMPD) District 9 Command, STLCOP found that there was one robbery that occurred in 2011; on public property adjacent to STLCOP's campus, and this incident should have been reported in STLCOP's 2011 and 2012 ASRs. Moreover, STLCOP has persistently failed to request crime statistics from SLMPD and was unable to explain this compliance violation.*

*Failure to publish an accurate and complete ASR, containing all required policy, procedural and statistical information and to actively distribute the report as a comprehensive document to all current students and employees in accordance with Federal regulations deprives the campus community of important security information that can empower its members to make informed decisions, and play an active role in their own safety and security.*

***Required Action Summary:*** *As a result of this finding, STLCOP was required to review and revise its existing policies and procedures that govern the preparation publication, and distribution of its ASRs. The institution was also required to develop and implement new policies and procedures in order to ensure that these violations do not recur, and that going forward, all campus security operations are carried out in accordance with the Clery Act.*

*Using its new and revised policies and procedures as a guide, STLCOP must prepare and publish a modified 2013 ASR that includes all of the statistical disclosures and policy, procedure and programmatic information required under 34 C.F.R. § 668.46(b). A copy of the STLCOP's new and revised policies as well as a draft ASR must accompany the institution's response to this program review report. Once the new ASR is evaluated by the Department for accuracy and completeness, the institution will be required to actively*

*distribute the ASR to all current students and employees in accordance with 34 C.F.R. § 668.41(e). Finally, STLCOP will be required to provide documentation to the Department evidencing the distribution as well as a statement of certification attesting to the fact that the materials were distributed in accordance with the Clery Act. This certification must also affirm that the STLCOP understands its Clery Act obligations, and that it has taken all necessary actions to ensure that this violation does not recur.*

*As noted above, the exceptions identified in this finding constitute serious violations of the Clery Act that by their nature cannot be cured. STLCOP will be given an opportunity to bring its campus security operations into compliance with the Clery Act as required by its Program Participation Agreement (PPA). However, STLCOP is advised that these remedial measures cannot and do not diminish the seriousness of these violations, nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or require additional corrective measures as a result.*

*Based on an evaluation of all available information including STLCOP's response, the Department will determine if additional actions will be required and will advise STLCOP accordingly in the FPRD.*

*STLCOP officials may wish to review the Department's "Handbook for Campus Safety and Security Reporting" (2011) during the preparation of its response and for detailed guidance on complying with the Clery Act. The handbook is available online at: <http://www2.ed.gov/admins/lead/safety/handbook.pdf>. The regulations governing the Clery Act can be found at 34 C.F.R. §§ 668.14, 668.41, 668.46, and 668.49.*

**STLCOP's Response:** In its official response, STLCOP concurred with the finding and stated that institutional officials reviewed its ASRs for the 2011 calendar year (submitted in the 2012 ASR) and revised its crime statistics based on information provided by local law enforcement officials that was previously omitted from the statistical disclosures in the 2012 ASR. In addition, STLCOP claimed that its policies and procedures were revised to ensure that all required elements were included and additionally provided program reviewers a copy of the institution's updated 2012 ASR as well as a copy of the 2013 ASR which was submitted after the review team was on-site. Additionally, STLCOP provided proof of distribution of the documents to all staff, faculty, and students on September 30, 2013 and subsequently on August 7, 2014, after being directed by the review team to distribute the revised ASR. Copies of the distribution e-mails were included in the attachments submitted.

Per the response, STLCOP also took specific actions as directed by the Department to review and revise the internal policies and procedures that govern the preparation, publication, and distribution of the ASR. STLCOP asserted that it developed a policy that outlines how required disclosure information will be developed and collected for inclusion in the ASR. This policy establishes a timeline that will help ensure the timely

collection and distribution of all information. This policy also purports to establish an audit trail to document the College's compliance efforts.

STLCOP's response also represented that the College is committed to Clery compliance and had taken several steps to improve its Clery compliance with one occurring prior to the Department's visit. In November 2012, six months prior to the Department's on-site review, STLCOP initiated a comprehensive campus security review by hiring an outside auditor to conduct a review of its emergency preparedness, safety, and environmental compliance programs. The consultant recommended that STLCOP create a position solely responsible for overseeing the Emergency Management and Environmental Health and Safety program ("EH&S"). In response to the consultant's recommendations, STLCOP's President submitted a proposal to the Board of Trustees to immediately create a new position and hire a Director of Emergency Management and Environmental Health & Safety during the middle fiscal year 2012. The Board unanimously voted to hire a Director of Emergency Management and Environmental Health & Safety, the job was posted before the end of November 2012, and the position was filled in April of 2013. As an additional step, STLCOP formed a Clery Policy Team to review and revise, as necessary, institutional policies that are included in the ASR-AFSR, and established a Clery Crime Review Team to review reported crimes within our Clery geography; this will be the responsibility of the newly appointed STLCOP Clery Compliance Officer. STLCOP established partnerships with the St. Louis Metro Police Department, the Central West End Neighborhood Security Initiative, Washington University School of Medicine Protective Services, and Barnes Hospital Security Services to facilitate information sharing between local security groups. STLCOP not only receives information regarding all crime statistics covered by the *Clery Act*, it also solicits information regarding other non-Clery incidents that may be relevant to the security of the STLCOP campus.

**Final Determination:** Finding #2 cited STLCOP for its failure to include the required campus safety policies and procedures in the 2012 ASR. As a result of this failure, the institution was required to take all necessary remedial action to ensure that the 2013 ASR contained all of the required content, and to also make sure that the report was actively distributed to all enrolled students and current employees. In addition, STLCOP was required to ensure that prospective students and employees were actively notified about the availability of the 2012 ASR and to explain the contents of the report and advise how interested persons may obtain a copy of the report. In its response, STLCOP concurred with the Department's finding and described the steps that were taken to address the violation.

The Department carefully reviewed all available documentation including the College's response and supporting documents. Based on that review and STLCOP's admission of noncompliance, the violations identified in the finding are sustained with one clarification: the institution's 2012 ASR was amended to include one robbery which occurred in 2011 and was previously marked as zero in STLCOP's initial submission of statistics for the 2011 calendar year. In the Department's initial assessment of the data

compiled during the program review, it was noted the school failed to include the incident on the 2011 and 2012 ASR; however, as the robbery occurred in the 2011 calendar year, STLCOP would have been required to first report this robbery in the 2012 ASR. The Department has determined that STLCOP's 2012 ASR did not report a robbery that occurred in 2011. The St. Louis Police Metropolitan Department (SLMPD) District 9 Command, STLCOP found that this robbery occurred in 2011 on public property adjacent to STLCOP's campus. The Department also determined that STLCOP's 2012 ASR omitted the following required policy statements: a description of the type and frequency of programs designed to a) inform students and employees about campus security procedures and practices and b) encourage students and employees to be responsible for their own security and the security of others; a description of programs designed to inform students and employees about the prevention of crimes; a statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses, and procedures to follow when a sex offense occurs. The statement must include: a description of educational programs to promote the awareness of rape, acquaintance rape, and other forcible and non-forcible sex offenses. STLCOP updated its 2012 ASR to include the required statements, and provided documentation to show that it redistributed the updated 2012 ASR to all students and employees.

The Department has also determined that STLCOP's remedial action plan meets minimum requirements. For these reasons, the Department has accepted STLCOP's response and considers this finding to be closed for the purposes of this program review. Based on that review and STLCOP's admission of noncompliance, the finding is sustained. For these reasons, the Department has accepted STLCOP's response and considers this finding to be closed for purposes of the program review. Notwithstanding this action, the officials and directors of STLCOP are put on notice that the College must take all additional actions that may be necessary to address the deficiencies and weaknesses identified by the Department as well as those that were detected during the preparation of the response to this report and as may otherwise be needed to ensure that these violations do not recur.

Although the finding is now closed, STLCOP is reminded that the exceptions identified above constitute serious violations of the *Clery Act* that by their nature cannot be cured. There is no way to truly "correct" violations of this type once they occur. The requirement to develop and implement a comprehensive public safety and crime prevention program and to publish and distribute an ASR containing accurate and complete campus crime statistics and campus safety policies and procedures are fundamental goals of the *Clery Act*. STLCOP was required to initiate remedial measures and as a result of its efforts, has begun to address the conditions that led to these violations. STLCOP has stated that it has brought its overall campus security program into compliance with the *Clery Act* as required by its Program Participation Agreement (PPA). Nevertheless, STLCOP is advised that its remedial actions, whether already completed or planned for the future, cannot and do not diminish the seriousness of these

violations nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or require additional corrective actions as a result.

Because of the serious consequences of such violations, the Department strongly recommends that STLCOP officials re-examine its campus security, drug and alcohol, and general Title IV policies and procedures on an annual basis to ensure that they continue to reflect current institutional practices and are compliant with Federal requirements. To that end, STLCOP officials are encouraged to consult the Department's "Handbook for Campus Safety and Security Reporting" (2013) as a reference guide on *Clery Act* compliance. The Handbook is online at: [www2.ed.gov/admins/lead/safety/handbook.pdf](http://www2.ed.gov/admins/lead/safety/handbook.pdf). The Department also provides a number of other *Clery Act* training resources. The institution can access these materials at: [www2.ed.gov/admins/lead/safety/campus.html](http://www2.ed.gov/admins/lead/safety/campus.html). The regulations governing the *Clery Act* can be found at 34 C.F.R. §§ 668.14, 668.41, 668.46, and 668.49.

### ***Finding 3: Fire Awareness Requirements Not Met – Multiple Violations***

***Citation Summary:*** *As of October 1, 2010, the Clery Act and the Department's regulations require that all institutions that receive Title IV, HEA funds and maintain an on-campus student housing facility must, by October 1 of each year, prepare, publish and distribute to its current students and employees through appropriate publications and mailings, an AFSR that contains, at a minimum, all of the statistical and policy elements described in 34 C.F.R. § 668.49(b). These institutions must disclose fire statistics for each on-campus student residential facility for the three most-recent calendar years. An institution's statistics must accurately and completely identify the number of on-campus fires and the cause of each fire, the number of persons who sustained fire-related injuries that resulted in treatment at a medical facility (including on-campus health centers), the number of fire-related deaths, and the dollar value of property damage caused by such fires. 34 C.F.R. § 668.49(c).*

*In addition, the AFSR must include several fire safety information disclosures covering topics such as the type(s) of fire safety systems that are used in each student housing facility, the number of fire drills that were conducted during the previous calendar year, any institutional policies, procedures, and programs regarding:*

- 1) the use and/or possession of portable electrical appliances;*
- 2) smoking and the use/presence of open flames in student housing facilities;*
- 3) evacuation procedures to be followed in the case of a fire;*
- 4) fire safety education and training programs;*
- 5) the institutional official(s) and departments to whom students and employees should report the occurrence of fires so that those incidents can be included in the institution's annual fire statistics; and,*
- 6) any plans for future improvements to the institution's fire safety program.*

*34 C.F.R. § 668.49(b).*

*The AFSR must each be published and distributed as materially-complete, comprehensive publication. If an institution chooses to combine the ASR and AFSR and publish them as a single document then the title of both reports must conspicuously appear of the cover page. Acceptable means of delivery include U.S. Mail, hand delivery, or campus mail distribution to the individual or posting on the institution's website. If an institution chooses to distribute its report by posting to an internet or intranet site, the institution must, by October 1 of each year, distribute a notice to all current students and employees that includes a direct link to each report (exact electronic address), a description of its contents, as well as an advisement that a paper copy will be provided upon request. The Department's regulations also require participating institutions to provide a notice to all prospective students and employees that includes a statement about the AFSR's availability, the content of each report, and the exact electronic address of each report, if posted to an internet or intranet site. This notice must also advise interested parties how to obtain a paper copy of the AFSR.*

*Finally, an institution is required to submit its campus crime and fire statistics to the Secretary on an annual basis. 34 C.F.R. § 668.41(e)(1)-(6).*

***Noncompliance Summary:*** *STLCOP violated multiple provisions of the Clery Act's fire safety requirements. Specifically, the College failed to publish an AFSR and actively distribute it to current students and employees.*

*Department requested a hardcopy version of STLCOP's 2012 and 2011 AFSRs, and inquired about whether or not the AFSR was available on the institution's website. STLCOP officials informed the Department that the institution did not publish a separate 2012, 2011, or 2010 AFSR, nor was all of the required data included in the institution's ASR. Although some fire safety-related information was identified on the STLCOP's website and in other publications, STLCOP has, in fact, failed to publish an actual AFSR as a comprehensive document. As a consequence of this, the Department finds that STLCOP has also failed to ever meet the AFSR active distribution and notification requirements. The Department's review indicates that this serious compliance failure has persisted since the fire safety requirements were added to the Clery Act in 2010.*

*Failure to publish an accurate and complete AFSR, and to actively distribute it to students and employees deprives interested persons of important fire safety information to which they are entitled. Access to this information permits campus community members, especially those who live in campus housing, to make well-informed decisions about where to work and study, and empowers them to play a more active role in their own safety and security.*

***Required Action Summary:*** *As a result of this violation, STLCOP must develop and implement policies and procedures that will govern the preparation, publication, and*

*distribution of the AFSR, and that will otherwise ensure that all fire safety operations at STLCOP will be carried out in accordance with the Clery Act going forward. The new procedures also must articulate how prospective students and employees will be notified of the AFSR's availability.*

*Using its new and revised policies as a guide, STLCOP must prepare and publish an accurate and complete AFSR that includes all of the statistical disclosures and policy, procedure and programmatic information required by 34 C.F.R. § 668.49(b). A copy of the institution's newly revised policies and procedures, and its draft AFSR must accompany STLCOP's response to this program review report. Once the new AFSR is evaluated by the review team for accuracy and completeness, STLCOP will be required to actively distribute it to all current students and employees in accordance with 34 C.F.R. § 668.41(e).*

*Finally, STLCOP will be required to provide documentation to the Department evidencing the distribution as well as a certification statement attesting to the fact that the materials were distributed in accordance with the Clery Act. This certification must also affirm that the institution understands its Clery Act fire safety obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur.*

*As noted above, the exceptions identified in this finding constitute serious violations of the Clery Act's fire safety requirements that by their nature cannot be cured. STLCOP will be given an opportunity to publish and distribute an accurate and complete AFSR and in doing so; the institution will begin to bring its overall fire safety program into compliance with the Clery Act as required by its PPA. While enhanced safety is the Department's primary focus, we note that such improvements will likely result in a better risk management environment for the institution as well. Nevertheless, the institution is advised that these remedial measures cannot and do not diminish the seriousness of these violations, nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or require additional corrective measures.*

*Based on an evaluation of all available information including STLCOP's response, the Department will determine if additional actions will be required and will advise the institution accordingly in the FPRD.*

**STLCOP's Response:** In its official response, STLCOP conceded that the College failed to comply with the fire safety requirements during and prior to the review period. To address these violations, the College stated that all required actions noted in the program review were taken, including the production of the institution's first AFSR which was combined with the institution's ASR. In addition, STLCOP officials represented that all fire reports are now tracked on a daily basis and that a log of such reports is now maintained in the required format. Per the response management asserted that the College developed and implemented all required fire safety policies and procedures are now in place. Finally, STLCOP submitted copies of documents in support

of its claims including an e-mail showing that the initial AFSR was distributed to students and employees via e-mail on 09/30/2013 and 08/07/2014 in conjunction with the institution's updated and complete ASR.

**Final Determination:** Finding #3 of the program review report cited STLCOP for its failure to publish AFSRs in 2010, 2011, and 2012. The Department has determined that STLCOP did not publish and distribute a complete AFSR for 2010, 2011, and 2012. STLCOP officials informed the Department that the institution did not publish a separate 2012, 2011, or 2010 AFSR, nor was all of the required data included in the institution's ASR. Although some fire safety-related information was identified on the STLCOP's website and in other publications, STLCOP failed to publish an actual AFSR as a comprehensive document. As a consequence, the College also failed to actively distribute such reports to enrolled students and current employees and to notify prospective students and employees of the reports' availability, as required. As a result of these violations, STLCOP was required to develop and implement internal policies and procedures for preparing, publishing, and distributing accurate and complete AFSRs. In addition, the College was required to produce its first AFSR and actively distribute it to enrolled students and current employees and fully document its remedial efforts. In its response, STLCOP stated its concurrence with the finding and asserted that all necessary action was taken and submitted documents in support of its claims.

The Department carefully reviewed all available documentation including the College's response and supporting documents. Based on that review and STLCOP's admission of noncompliance, the violations identified in the finding are sustained. The Department also determined that STLCOP's remedial action plan meets minimum requirements. For these reasons, the Department has accepted STLCOP's response and considers this finding to be closed for the purposes of this program review. Nevertheless, STLCOP is advised that it must continue to develop the its fire safety program and must also take any additional action that may be needed to fully address the deficiencies and weaknesses identified by the Department as well as any deficiencies that were detected during the preparation of the STLCOP's response to the Department's report and as may otherwise be needed to ensure that these violations do not recur.

Although the finding is now closed, STLCOP is reminded that the exceptions identified above constitute serious violations of the *Clery Act* that by their nature cannot be cured. There is no way to truly "correct" violations of this type once they occur. The requirement to develop and implement a comprehensive public safety and crime prevention program and to publish and distribute an ASR containing accurate and complete campus crime statistics and campus safety policies and procedures are fundamental goals of the *Clery Act*. STLCOP was required to initiate remedial measures and as a result of its efforts, has begun to address the conditions that led to these violations. STLCOP has stated that it has brought its overall campus security program into compliance with the *Clery Act* as required by its PPA. Nevertheless, STLCOP is advised that its remedial actions, whether already completed or planned for the future, cannot and do not diminish the seriousness of these violations nor do they eliminate the

possibility that the Department will impose an adverse administrative action and/or require additional corrective actions as a result.

***Finding 4: Drug and Alcohol Abuse Prevention Program Requirements (DAAPP) Not Met/Failure to Actively Distribute an Annual DAAPP Disclosure***

***Citation Summary:*** *The Drug-Free Schools and Communities Act (DFSCA) and Part 86 of the Department's General Administrative Regulations requires a participating institution to certify that it has developed and implemented a drug and alcohol abuse education and prevention program. The program must be designed to prevent the unlawful possession, use, and distribution of drugs and alcohol on campus and at recognized events and activities.*

*On an annual basis, the institution must distribute written information about its drug and alcohol abuse prevention program (DAAPP) to all students, faculty, and staff. The distribution plan must make provisions for providing the material to students who enroll at a date after the initial distribution, and for employees who are hired at different times throughout the year. The information must include:*

- 1) A written statement about its standards of conduct that prohibits the unlawful possession, use or distribution of illicit drugs and alcohol by students and employees;*
- 2) A written description of legal sanctions imposed under Federal, state and local laws for unlawful possession or distribution of illicit drugs and alcohol;*
- 3) A description of the health risks associated with the use of illicit drugs and the abuse of alcohol;*
- 4) A description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to students and employees; and,*
- 5) A statement that the IHE will impose disciplinary sanctions on students and employees for violations of the institution's codes of conduct and a description of such sanctions.*

*In addition, an institution must conduct a biennial review in order to measure the effectiveness of its drug prevention program, and to ensure consistent treatment in its enforcement of its disciplinary sanctions. The institution must prepare a report of findings and maintain its biennial review report and supporting materials and make them available to the Department and interested parties upon request. 34 C.F.R. §§ 86.3 and 86.100.*

***Noncompliance Summary:*** *STLCOP violated one requirement of the DFSCA. At the time of the site visit, STLCOP was unable to produce documentation that it had distributed an accurate and complete DAAPP disclosure, as required, to current students. Since STLCOP failed provide proof that a materially-complete annual DAAPP*

*disclosure was actively distributed to all students enrolled for academic credit, the Department must assume that STLCOP failed to meet this requirement of the DFSCA.*

*The Department does note that STLCOP did provide documentation that the DAAPP disclosure was sent to all new and current employees as required.*

*Failure to comply with the DFSCA requirements deprives students and employees of important information regarding the educational, health, legal, disciplinary, and financial consequences of illicit drug use and alcohol abuse. Such failures may contribute to increased drug and alcohol abuse on-campus as well as an increase in drug and alcohol-related violent crime.*

**Required Action Summary:** *STLCOP was required to take all necessary corrective actions to resolve these violations and to otherwise ensure that they do not recur. At a minimum, STLCOP was required to perform the following:*

- *Publish a materially-complete annual DAAPP disclosure that summarizes the program;*
- *Develop detailed policies and procedures that will ensure that the DAAPP disclosure is distributed annually to every student who enrolls for any academic credit and to all employees. This policy must provide for active delivery to every member of the campus community regardless of when they enroll or are hired and irrespective of the duration of enrollment/employment. A copy of STLCOP's new DAAPP and new distribution policy must accompany with its response to this program review report; and,*
- *Actively distribute the new DAAPP disclosure in accordance with the institution's policy and the law. Following distribution, STLCOP must provide documentation evidencing the distribution as well as a statement of certification attesting to the fact that the materials were distributed in accordance with the DFSCA. This certification must also affirm that the institution understands all of its DFSCA obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur*

*As noted above, violations of the DFSCA are very serious and by their nature, cannot be cured. STLCOP will be given an opportunity to bring its drug and alcohol program into compliance with the DFSCA as required by its Program Participation Agreement. However, the institution is advised that these remedial measures cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the Department will impose additional corrective or administrative actions.*

*Based on an evaluation of all available information, including STLCOP's response, the Department will determine if additional action will be required and will advise the institution accordingly in the Final Program Review Determination letter.*

**STLCOP's Response:** In its official response, STLCOP stated its concurrence with the finding and explained the steps taken to address the deficiencies. Specifically, management asserted that after the Department's site visit, the College's President and Financial Aid Director initiated a review of STLCOP's DAAPP and established policies and procedures for distributing the annual DAAPP disclosure is distributed to students. Per the response, STLCOP made program enhancements and policy revisions and established new procedures intended to ensure that the annual notification of STLCOP's DAAPP will be sent to students in accordance with the Department's requirements and that its efforts to comply will be documented and that records will be retained for future examination, as needed. STLCOP officials also claimed that the program disclosure is already distributed annually to all employees through the Human Resources Office and provided documents to support its claims. Finally, the College stated that the revised DAAPP was distributed to all students and staff via electronic mail on August 27, 2013, January 16, 2014, and August 13, 2014.

**Final Determination:** Finding #4 of the program review report cited STLCOP for its failure to distribute an annual DAAPP disclosure to all students enrolled for academic credit. At the time of the site visit, STLCOP was unable to produce documentation that it had distributed an accurate and complete DAAPP disclosure, as required, to current students. Since STLCOP failed provide proof that a materially-complete annual DAAPP disclosure was actively distributed to all students enrolled for academic credit, the Department must assume that STLCOP failed to meet this requirement of the DFSCA. As a result of this violation, the College was required to review and revise its DAAPP to ensure that it was adequate, establish policies and procedures for distributing the revised DAAPP disclosure, and then actively distribute the disclosure in accordance with its new standards and finally to document its distribution efforts. In its response, the College concurred with the finding, described its remedial actions, and submitted documents in support of its claims.

The Department carefully examined STLCOP's narrative response and supporting documentation. The review team's examination showed that the identified violations were, for the most part, satisfactorily addressed by the College's response and new DAAPP disclosure document and distribution procedures. Based on that review and STLCOP's admission of noncompliance, the violations identified in the finding are sustained. The Department also determined that STLCOP's remedial action plan meets minimum requirements. For these reasons, the Department has accepted the response and considers this finding to be closed for purposes of this program review. Nevertheless, the officials and directors of STLCOP are put on notice that the College must take all necessary action to address the deficiencies and weaknesses identified by the Department as well as those that were detected during the preparation of the response to the

Department's report and as may otherwise be needed to ensure that these violations do not recur.

Although this finding is now closed, STLCOP officials are reminded that they must initiate any additional remedial actions that may be necessary to ensure that the identified deficiencies do not recur. Moreover, STLCOP is specifically reminded that the exceptions identified above constitute very serious and persistent violations of the *DFSCA* that by their nature cannot be cured. There is no way to truly "correct" violations of this type once they occur. STLCOP asserted that it has taken adequate remedial actions and by doing so, has taken steps to finally comply with the *DFSCA* as required by its PPA. Notwithstanding the remedial efforts taken thus far, STLCOP officials must understand that compliance with the *DFSCA* is essential to maintaining a safe and healthy learning environment. Data compiled by the Department shows that the use of illicit drugs and alcohol abuse is highly correlated to increased incidents of violent crime on campus. The compliance failures documented above deprived students and employees of important information regarding the educational, financial, health, and legal consequences of alcohol abuse and illicit drug use. For these reasons, STLCOP is advised that any remedial measures, whether already completed or planned for the future, cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or additional remedial measures as a result.

In light of the serious consequences associated with compliance failures of this type, the Department strongly recommends that STLCOP re-examine its drug and alcohol policies, procedures, and programs on at least an annual basis and revise them as needed to ensure that they continue to reflect current institutional policy and are in full compliance with the *DFSCA*. Please be advised that the Department may request information on a periodic basis to test the effectiveness of the institution's new policies and procedures.

***Finding 6: Improper Return of Title IV Funds Calculation***

***Citation:*** Federal regulations state that when a recipient of Title IV, HEA funds withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must perform a Return of Title IV Funds calculation to determine the amount of Title IV, HEA grant or loan assistance the student earned as of the student's withdrawal date. The calculation should incorporate all of the elements of a Return of Title IV Funds calculation identified in pertinent Federal regulations. 34 C.F.R. § 668.22

Regulations additionally define "institutional charges" as tuition, fees, room and board (if the student contracts with the institution for the room and board) and other educationally-related expenses assessed by the institution. 34 C.F.R. § 668.22(g)(2) The institutional charges used in a Return calculation are the charges that were initially

*assessed a student for the entire payment period or period of enrollment as applicable. Initial charges may only be adjusted by those changes the institution made prior to the student's withdrawal (for example, for a change in enrollment status unrelated to the withdrawal). If, after a student withdraws, the institution changes the amount of institutional charges it is assessing a student, or decides to eliminate all institutional charges, those changes affect neither the charges nor aid earned in the calculation. 2012-13 Federal Student Aid Handbook, Volume 5, Chapter 1, pg. 5-15*

*Federal regulations also state that for Return of Title IV Funds calculations the percentage of a payment period or period of enrollment must include the total number of calendar days within the period, except scheduled breaks of at least five consecutive days, which are excluded from the total number of calendar days and the number of calendar days completed in that period. 34 C.F.R. § 668.22(f)(2)(i)*

**Noncompliance:** *While reviewing STLCOP's Return of Title IV Funds (Returns) calculations the Department discovered that STLCOP was including the weekend days after the Spring break in the total days for the Spring 2012 semester. STLCOP is required to exclude not only the 5 weekdays, but also the 2 preceding and 2 subsequent weekend days for a total of 9 days. These weekend days must be excluded from the total number of days in the Spring semester Return calculations unless STLCOP can provide proof classes were held on these days. This issue effects all Return calculations for the Spring 2012 semester. For example, Student #33 was enrolled in the Spring 2012 semester, and withdrew on 03/30/2012. STLCOP included the weekend days after the Spring 2012 break in the Return calculation; this meant that the institution calculated the number of "Total Days" in the semester as 109. STLCOP should have used 105 as the "Total Days" in the semester. STLCOP returned \$325.70 more than required in Title IV, HEA Direct PLUS loan funds. This issue was also reported in STLCOP's A-133 audit (FYE 06/30/12).*

*In one instance, the Department found that STLCOP used the incorrect beginning and ending dates, and thus the incorrect "Total Days" and "Completed Days" for a sixth year student in the student's Return calculation. STLCOP processed a Return calculation for Student #32 showing the student's "Start Date" as 01/03/12 and the "Scheduled End Date" as 04/22/2012 with a Spring Break 03/17/12 through 03/25/12 for the Spring 2012 semester; however the actual "Start Date" was 01/09/2012 and the actual "Scheduled End Date" was 04/27/2012 for the Spring 2012 semester. STLCOP previously calculated that the student's Spring 2012 semester had "Total Days" of 111 and "Completed Days" of 23. The Department performed a Return calculation using the correct start and end dates, correct "Total Days" of 101, and correct "Completed Days" of 17. The Department determined that the amount to be returned should have been \$7575 in Title IV, HEA Direct Unsubsidized Loan funds. STLCOP previously returned \$7,219 of the student's Title IV, HEA Direct Unsubsidized Loan funds for the Spring 2012 semester. An additional \$356 in Title IV, HEA Direct Unsubsidized Loan funds still needs to be returned.*

*Due to the nature of the program STLCOP offers, the institution has only a few students each year that withdraw, and thus it processes a minimal amount of Return calculations. The Department reviewed all Return calculations STLCOP processed during the 2011-12 and 2012-13 award years; these students are listed in Appendix B.*

**Required Action:** *In response to this finding, STLCOP must perform an updated Return calculation for Student #32, and submit a copy of the calculation with the institution's response to this report. Additionally, STLCOP must review and revise its internal policies and procedures to ensure that Return of Title IV Funds calculations are performed correctly, and the correct number of "Completed Days" and "Total Days" are used for each semester. A copy of these policies and procedures must accompany STLCOP's response to this report.*

*Hard copy and electronic files containing PII must be safeguarded as described in the enclosure to the cover letter of this report.*

*The FPRD letter will provide STLCOP with repayment instructions for the identified liabilities. The institution must not repay any funds owed to the Department until the FPRD is issued.*

**STLCOP's Response:** STLCOP provided an updated Return policy and procedure with detailed instructions of how payment period calendars should be set up for Return calculations. STLCOP also provided an updated Return calculation for Student #32.

**Final Determination:** STLCOP must return the Title IV, HEA Direct Unsubsidized Loan funds not previously returned to the Department for Student #32. The unmade Return amount is **\$356** (\$356.53 rounded) in Title IV, HEA Unsubsidized Direct Loan funds. STLCOP is also responsible for the cost of funds associated with the unmade Returns. The total cost of funds liability due to the Department for the unmade Return of Title IV, HEA Direct Loan funds is **\$6**. The interest charges were computed using the Cost of Funds (COF) Rate Formula for Direct Loans published in the Federal Register by the Department of the Treasury, effective from the date of disbursement to the date of this determination, as indicated in Appendix G.

**D. Summary of Liabilities**

The total amount calculated as liabilities from the findings in the program review determination is as follows. This information is provided so that the institution understands the liabilities associated with each finding. The payment instructions in Section E have been adjusted to reflect the unduplicated liabilities.

<b>Established Liabilities</b>		
<b>Liabilities</b>	DL	
Finding 6	\$356	
<b>Subtotal 1</b>	\$356	
Interest/SA	\$ 6	
<b>Subtotal 2</b>	\$ 6	
<b>TOTAL</b>	\$362	
<b>Payable To:</b>		<b>Totals</b>
Department	\$362	\$362

**E. Payment Instructions**

**1. Liabilities Owed to the Department**

Since the total liability amount owed to the Department is minimal (less than \$1,000), a receivable is not being established with the Department's Accounts Receivable Group. However, STLCOP remains responsible, in its role as a fiduciary for Title IV, HEA federal funds, for making restitution to the appropriate account(s) in the amount(s) indicated in the applicable finding(s) and must satisfy all program reporting requirements in making any required adjustments in COD. Upon making any necessary adjustments in COD, any funds owed must be returned to the Department via G5. In addition, STLCOP must ensure that it has corrected its procedures so that this type of finding does not recur or is not repeated. A copy of the adjustment to each student's COD record, as well as proof that the funds were returned through G5, if applicable, must be sent to Jenny Armontrout **within 45 days of the date of this letter.**

**William D. Ford Federal Direct Loan (Direct Loan) Liabilities:**

**Direct Loan Closed Award Years (Request Extended Processing)**

Finding: 6  
 Appendices: B, F, and G

STLCOP must repay the following Direct Loan liabilities:

<b>DL Closed Award Year</b>			
Title IV, HEA program	Amount (Principal)	Amount (Interest)	Award Year
Direct Unsubsidized	\$356	\$6	2012-2013
	<b>Total Principal</b>	<b>Total Interest</b>	
	\$356	\$6	

The disbursement record for each student identified in Appendix F must be adjusted in the Common Origination and Disbursement (COD) system based on the recalculated amount identified in the/these appendix/appendices. A copy of the adjustment to each student's COD record must be sent to Jenny Armontrout **within 45 days of the date of this letter.**

The funds will be returned to the applicable G5 award for the applicable Title IV program.

### **Request Extended Processing**

COD adjustments are necessary for the closed award year(s) listed above. Before any student level adjustments can be processed, STLCOP must immediately request extended processing through the COD Website (<http://cod.ed.gov>).

- Click on the Request Post Deadline/Extended Processing link under the School menu.
- On the request screen, the institution should indicate in their explanation that the request is based on a program review, and provide the program review control number.
- The institution will be notified of the status of the request at the time of submission, and will also be notified by email to the FAA and President when extended processing has been authorized. At that time, the school must transmit student/borrower level adjustments to COD for the closed award year(s).

St. Louis College of Pharmacy

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**Appendix D: Copy of Program Review Report**

Prepared for  
**St. Louis College of Pharmacy**

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**OPE ID: 00250400**  
**PRCN: 201330728282**

Prepared by  
**U.S. Department of Education**  
**Federal Student Aid**  
**School Participation Division – Kansas City**

# Program Review Report

November 13, 2013

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A. Institutional Information

St. Louis College of Pharmacy  
4588 Parkview Place  
St. Louis, MO 63110-1088

Type: Private nonprofit

Highest Level of Offering: Doctoral degree

Accrediting Agency:  
North Central Association of Colleges and Schools – CIHE (Higher Educ)  
Missouri Coordinating Board for Higher Education

Current Student Enrollment: 1,299 (2012-2013)

% of Students Receiving Title IV: 81% (2012-2013)

Title IV Participation (Postsecondary Education Participants System):

	<u>2011-2012</u>
Federal Pell Grant	\$ 580,260
Federal Supplement Education Opportunity Grant (FSEOG)	\$ 280,553
Federal Work-Study (FWS)	\$ 193,964
Federal Perkins Loans(Perkins)	\$ 159,000
Federal Direct Loans (DL)	\$18,478,879

Default Rate DL:	2010	.8%
	2009	.0%
	2008	2.0%

Default Rate Perkins:	2010	8.6%
	2009	6.7%
	2008	2.6%

## **B. Scope of Review**

The U.S. Department of Education (the Department) conducted a program review at St. Louis College of Pharmacy (STLCOP) from May 20, 2013 to May 24, 2013. The review was conducted by Jenny Armontrout, Bridget Johnston, and Rick Moore.

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

A sample of 30 files was identified for review from the 2011-2012 and 2012-2013 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. In addition, 5 files were selected based on students who withdrew and had a Return of Title IV funds (Return) calculation performed. Appendix A identifies the sample of 30 students whose files were examined during the program review, and Appendix B identifies the sample of students reviewed for Return calculations. Additionally, Appendix C identifies student from the SAP file review STLCOP conducted that did not meet the updated, required standards.

### **Disclaimer:**

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning STLCOP'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 STLCOP 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, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by STLCOP to bring operations of the financial aid programs into compliance with the statutes and regulations.

#### **Finding 1: Interest Accrued on Non-Perkins Title IV, HEA Fund Accounts**

**Citation:** Federal regulations require that an institution maintain Title IV, HEA program funds in a bank or investment account that is federally insured or secured by collateral of value reasonably equivalent to the amount of those funds. For each bank or investment account that includes Title IV, HEA program funds, an institution must clearly identify that Title IV, HEA program funds are maintained in that account by:

- (1) including in the name of each account the phrase "Federal Funds", or
- (2)(a) Notifying the bank or investment company of the accounts that contain Title IV, HEA program funds and retaining a record of that notice; and
- (b) Except for a public institution, filing with the appropriate state or municipal government entity a UCC-1 statement disclosing that the account contains Federal funds and maintaining a copy of that statement. *34 CFR § 668.163(a)*

Additionally, if an institution maintains Direct Loan, Federal Pell Grant, ACG, National SMART Grant, TEACH Grant, FSEOG, and FWS program funds in an interest-bearing or investment account, the institution may keep the initial \$250 it earns on those funds during an award year. By June 30 of that award year, the institution must remit to the Secretary any earnings over \$250. *34 CFR § 668.163(c)(4)*

**Noncompliance:** STLCOP maintains all Title IV, HEA program funds in one bank account that is labeled as a Federal account. This account is interest-bearing. STLCOP transfers all the funds, except Perkins Loan funds, to an institutional general account within a few days of drawing funds into the account, but the institution has not calculated the interest earned on the Title IV, HEA Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds while they are in the Federal account.

**Required Action:** STLCOP must submit a copy of its revised policies and procedures for either changing the type of account the Title IV, HEA Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds are deposited into, or determining the interest earned on the Title IV, HEA Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds in the current Federal account with its response to this report. STLCOP must evaluate its Federal account to determine if more than \$250 was earned from the Title IV, HEA Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds during the 2010-2011,

2011-2012, and 2012-2013 award years. STLCOP must provide the following information and documentation:

- (1) A spreadsheet that contains, for each requested award year:
  - (a) G5 drawdown date (can group together all funds drawn on the same date);
  - (b) Total amount of G5 drawdown (can group together all funds drawn on the same date);
  - (c) Type of funds included in G5 drawdown total;
  - (d) Date G5 drawdown deposited into Federal Account;
  - (e) Date funds transferred to general institutional account;
  - (f) Interest earned on drawdown;
  
- (2) For each award year, STLCOP must also provide legible copies of the following documents:
  - (a) Federal account and general institutional account monthly bank statements;
  - (b) A description of the process and/or equation(s) used to determine interest earned;

The interest calculation spreadsheet discussed above should be should be organized by award year, and compiled in an Excel spreadsheet program, and submitted either via e-mail or in CD-ROM format in the following manner:

G5 drawdown date	Total Amount of G5 drawdown	Type of funds included in G5 drawdown total	Date G5 drawdown deposited into Federal Account	Date funds transferred to general institutional account	Interest earned on drawdown
01/25/13	\$873,605	Direct Loan, Pell Grant, and SEOG	01/26/13	01/28/13	\$78.11
01/31/13	\$ 89,221	Direct Loan and Pell Grant	02/01/13	02/02/13	\$11.23
02/16/13	\$ 45,281	Direct Loan	02/16/13	02/19/13	\$ 4.98

The FPRD letter will provide STLCOP with repayment instructions for the identified liabilities. The institution must not repay any funds owed to the Department until the FPRD is issued.

**Finding 2: Crime Awareness Requirements Not Met - Omitted/Inadequate/Incomplete Campus Safety Policy and Statistical Disclosures and Failure to Actively Distribute the Annual Security Report as a Comprehensive Document**

**Citation:** The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the *Clery Act*) and the Department’s regulations require that all institutions that receive Title IV, HEA funds must, by October 1 of each year, publish and distribute to its

current students and employees through appropriate publications and mailing, a comprehensive Annual Security Report (ASR) that contains, at a minimum, all of the statistical and policy elements described in 34 C.F.R. § 668.46(b).

The ASR must be prepared and actively distributed as a single document. Acceptable means of delivery include U.S. Mail, hand delivery, or campus mail distribution to the individual or posting on the institution's website. If an institution chooses to distribute its report by posting to an internet or intranet site, the institution must, by October 1 of each year, distribute a notice to all students and employees that includes a statement of the report's availability and its exact electronic address, a description of its contents, as well as an advisement that a paper copy will be provided upon request. 34 C.F.R. § 668.41(e)(1) The Department's regulations also require participating institutions to provide a notice to all prospective students and employees that includes a statement about the ASR's availability, its contents, and its exact electronic address if posted to a website. This notice must also advise interested parties of their right to request a paper copy of the ASR and to have it furnished upon request. 34 C.F.R. § 668.41(e)(4)

Specifically, the *Clery Act* and the Department's regulations require institutions to include statistics for incidents of crimes reported during the three most recent calendar years. The covered categories include criminal homicide (murder and non-negligent manslaughter), forcible and non-forcible sex offenses, robbery, aggravated assaults, burglary, motor vehicle theft, and arson. Statistics for certain hates crimes as well as arrest and disciplinary referral statistics for violations of certain laws pertaining to illegal drugs, illegal usage of controlled substances, liquor, and weapons also must be disclosed in the ASR. These crime statistics must be published for the following geographical categories:

- 1) on campus;
- 2) on-campus student residential facilities;
- 3) certain non-campus buildings and property; and,
- 4) certain adjacent and accessible public property.

34 C.F.R. § 668.46(c)(1)

The ASR must include several policy statements. These disclosures are intended to inform the campus community about the institution's security policies, procedures, and the availability of programs and resources as well as channels for victims of crime to seek recourse. In general, these policies include topics such as the law enforcement authority and practices of campus police and security forces, incident reporting procedures for students and employees, and policies that govern the preparation of the report itself. Institutions are also required to disclose alcohol and drug policies and educational programs. Policies pertaining to sexual assault education, prevention, and adjudication must also be disclosed. Institutions also must provide detailed policies of the issuance of timely warnings, emergency notifications, and evacuation procedures. All required statistics and policies must be included in a single comprehensive document, known as an

ASR. With the exception of certain drug and alcohol program information, cross referencing to other publications is not sufficient to meet the publication and distribution requirements of the Act. §485(f) of the HEA; 34 C.F.R. § 668.46(b)

Finally, each institution must also submit its crime statistics to the Secretary for inclusion in the Department's online campus crime statistics database called the "Campus Safety and Security Data Analysis Cutting Tool (CSSDACT)." 34 C.F.R. § 668.41(e)(5)

**Noncompliance:** STLCOP violated multiple provision of the *Clery Act*. Specifically, the College failed to publish and distribute accurate and complete 2012 and 2011 ASRs as comprehensive documents that included all required policy, procedural, programmatic, and statistical disclosures. The Department also finds that STLCOP failed to meet the active distribution and notification requirements as a result of the numerous and material omissions.

The deficiencies noted during the Department's analysis of STLCOP's 2012 and 2011 ASRs include the following:

- A description of the type and frequency of programs designed to a) inform students and employees about campus security procedures and practices and b) encourage students and employees to be responsible for their own security and the security of others;
- A description of programs designed to inform students and employees about the prevention of crimes; and,
- A statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses, and procedures to follow when a sex offense occurs.
  - The statement must include: a description of educational programs to promote the awareness of rape, acquaintance rape, and other forcible and non-forcible sex offenses

In addition, STLCOP failed to collect and disclose campus crime statistics from the St. Louis Metro Police regarding the public property that is immediately adjacent to and accessible from STLCOP's campus, as required. After contacting the St. Louis Police Metropolitan Department (SLMPD) District 9 Command, STLCOP found that there was one robbery that occurred in 2011; on public property adjacent to STLCOP's campus, and this incident should have been reported in STLCOP's 2011 and 2012 ASRs. Moreover, STLCOP has persistently failed to request crime statistics from SLMPD and was unable to explain this compliance violation.

Failure to publish an accurate and complete ASR, containing all required policy, procedural and statistical information and to actively distribute the report as a

comprehensive document to all current students and employees in accordance with Federal regulations deprives the campus community of important security information that can empower its members to make informed decisions, and play an active role in their own safety and security.

**Required Action:** As a result of this finding, STLCOP must review and revise its existing policies and procedures that govern the preparation publication, and distribution of its ASRs. The institution must also develop and implement new policies and procedures in order to ensure that these violations do not recur, and that going forward, all campus security operations are carried out in accordance with the *Clery Act*.

Using its new and revised policies and procedures as a guide, STLCOP must prepare and publish a modified 2013 ASR that includes all of the statistical disclosures and policy, procedure and programmatic information required under *34 C.F.R. § 668.46(b)*. A copy of the STLCOP's new and revised policies as well as a draft ASR must accompany the institution's response to this program review report. Once the new ASR is evaluated by the Department for accuracy and completeness, the institution will be required to actively distribute the ASR to all current students and employees in accordance with *34 C.F.R. § 668.41(e)*. Finally, STLCOP will be required to provide documentation to the Department evidencing the distribution as well as a statement of certification attesting to the fact that the materials were distributed in accordance with the *Clery Act*. This certification must also affirm that the STLCOP understands its *Clery Act* obligations, and that it has taken all necessary corrective actions to ensure that this violation does not recur.

As noted above, the exceptions identified in this finding constitute serious violations of the *Clery Act* that by their nature cannot be cured. STLCOP will be given an opportunity to bring its campus security operations into compliance with the *Clery Act* as required by its Program Participation Agreement (PPA). However, STLCOP is advised that these remedial measures cannot and do not diminish the seriousness of these violations, nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or require additional corrective measures as a result.

Based on an evaluation of all available information including STLCOP's response, the Department will determine if additional actions will be required and will advise STLCOP accordingly in the FPRD.

STLCOP officials may wish to review the Department's "Handbook for Campus Safety and Security Reporting" (2011) during the preparation of its response and for detailed guidance on complying with the *Clery Act*. The handbook is available online at: <http://www2.ed.gov/admins/lead/safety/handbook.pdf>. The regulations governing the *Clery Act* can be found at 34 C.F.R. §§ 668.14, 668.41, 668.46, and 668.49.

### **Finding 3: Fire Awareness Requirements Not Met – Multiple Violations**

**Citation:** As of October 1, 2010, the *Clery Act* and the Department's regulations require that all institutions that receive Title IV, HEA funds and maintain an on-campus student housing facility must, by October 1 of each year, prepare, publish and distribute to its current students and employees through appropriate publications and mailings, an AFSR that contains, at a minimum, all of the statistical and policy elements described in 34 C.F.R. § 668.49(b). These institutions must disclose fire statistics for each on-campus student residential facility for the three most-recent calendar years. An institution's statistics must accurately and completely identify the number of on-campus fires and the cause of each fire, the number of persons who sustained fire-related injuries that resulted in treatment at a medical facility (including on-campus health centers), the number of fire-related deaths, and the dollar value of property damage caused by such fires.

*34 C.F.R. § 668.49(c)*

In addition, the AFSR must include several fire safety information disclosures covering topics such as the type(s) of fire safety systems that are used in each student housing facility, the number of fire drills that were conducted during the previous calendar year, any institutional policies, procedures, and programs regarding:

- 1) the use and/or possession of portable electrical appliances;
- 2) smoking and the use/presence of open flames in student housing facilities;
- 3) evacuation procedures to be followed in the case of a fire;
- 4) fire safety education and training programs;
- 5) the institutional official(s) and departments to whom students and employees should report the occurrence of fires so that those incidents can be included in the institution's annual fire statistics; and,
- 6) any plans for future improvements to the institution's fire safety program.

*34 C.F.R. § 668.49(b)*

The AFSR must each be published and distributed as materially-complete, comprehensive publication. If an institution chooses to combine the ASR and AFSR and publish them as a single document then the title of both reports must conspicuously appear of the cover page. Acceptable means of delivery include U.S. Mail, hand delivery, or campus mail distribution to the individual or posting on the institution's website. If an institution chooses to distribute its report by posting to an internet or intranet site, the institution must, by October 1 of each year, distribute a notice to all current students and employees that includes a direct link to each report (exact electronic address), a description of its contents, as well as an advisement that a paper copy will be provided upon request. The Department's regulations also require participating institutions to provide a notice to all prospective students and employees that includes a statement about the AFSR's availability, the content of each report, and the exact

electronic address of each report, if posted to an internet or intranet site. This notice must also advise interested parties how to obtain a paper copy of the AFSR.

Finally, an institution is required to submit its campus crime and fire statistics to the Secretary on an annual basis. *34 C.F.R. § 668.41(e)(1)-(6)*

**Noncompliance:** STLCOP violated multiple provisions of the *Clery Act* fire safety requirements. Specifically, the College failed to publish an AFSR and actively distribute it to current students and employees.

Department requested a hardcopy version of STLCOP's 2012 and 2011 AFSRs, and inquired about whether or not the AFSR was available on the institution's website. STLCOP officials informed the Department that the institution did not publish a separate 2012, 2011, or 2010 AFSR, nor was all of the required data included in the institution's ASR. Although some fire safety-related information was identified on the STLCOP's website and in other publications, STLCOP has, in fact, failed to publish an actual AFSR as a comprehensive document. As a consequence of this, the Department finds that STLCOP has also failed to ever meet the AFSR active distribution and notification requirements. The Department's review indicates that this serious compliance failure has persisted since the fire safety requirements were added to the *Clery Act* in 2010.

Failure to publish an accurate and complete AFSR, and to actively distribute it to students and employees deprives interested persons of important fire safety information to which they are entitled. Access to this information permits campus community members, especially those who live in campus housing, to make well-informed decisions about where to work and study, and empowers them to play a more active role in their own safety and security.

**Required Action:** As a result of this violation, STLCOP must develop and implement policies and procedures that will govern the preparation, publication, and distribution of the AFSR, and that will otherwise ensure that all fire safety operations at STLCOP will be carried out in accordance with the *Clery Act* going forward. The new procedures also must articulate how prospective students and employees will be notified of the AFSR's availability.

Using its new and revised policies as a guide, STLCOP must prepare and publish an accurate and complete AFSR that includes all of the statistical disclosures and policy, procedure and programmatic information required by *34 C.F.R. § 668.49(b)*. A copy of the institution's newly revised policies and procedures, and its draft AFSR must accompany STLCOP's response to this program review report. Once the new AFSR is evaluated by the review team for accuracy and completeness, STLCOP will be required to actively distribute it to all current students and employees in accordance with *34 C.F.R. § 668.41(e)*.

Finally, STLCOP will be required to provide documentation to the Department evidencing the distribution as well as a certification statement attesting to the fact that the materials were distributed in accordance with the *Clery Act*. This certification must also affirm that the institution understands its *Clery Act* fire safety obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur.

As noted above, the exceptions identified in this finding constitute serious violations of the *Clery Act's* fire safety requirements that by their nature cannot be cured. STLCOP will be given an opportunity to publish and distribute an accurate and complete AFSR and in doing so; the institution will begin to bring its overall fire safety program into compliance with the *Clery Act* as required by its PPA. While enhanced safety is the Department's primary focus, we note that such improvements will likely result in a better risk management environment for the institution as well. Nevertheless, the institution is advised that these remedial measures cannot and do not diminish the seriousness of these violations, nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or require additional corrective measures.

Based on an evaluation of all available information including STLCOP's response, the Department will determine if additional actions will be required and will advise the institution accordingly in the FPRD.

**Finding 4: Drug and Alcohol Abuse Prevention Program Requirements (DAAPP)  
Not Met/Failure to Actively Distribute an Annual DAAPP Disclosure**

**Citation:** The Drug-Free Schools and Communities Act (DFSCA) and Part 86 of the Department's General Administrative Regulations requires a participating institution to certify that it has developed and implemented a drug and alcohol abuse education and prevention program. The program must be designed to prevent the unlawful possession, use, and distribution of drugs and alcohol on campus and at recognized events and activities.

On an annual basis, the institution must distribute written information about its drug and alcohol abuse prevention program (DAAPP) to all students, faculty, and staff. The distribution plan must make provisions for providing the material to students who enroll at a date after the initial distribution, and for employees who are hired at different times throughout the year. The information must include:

- 1) A written statement about its standards of conduct that prohibits the unlawful possession, use or distribution of illicit drugs and alcohol by students and employees;
- 2) A written description of legal sanctions imposed under Federal, state and local laws for unlawful possession or distribution of illicit drugs and alcohol;

- 3) A description of the health risks associated with the use of illicit drugs and the abuse of alcohol;
- 4) A description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to students and employees; and,
- 5) A statement that the IHE will impose disciplinary sanctions on students and employees for violations of the institution's codes of conduct and a description of such sanctions.

In addition, an institution must conduct a biennial review in order to measure the effectiveness of its drug prevention program, and to ensure consistent treatment in its enforcement of its disciplinary sanctions. The institution must prepare a report of findings and maintain its biennial review report and supporting materials and make them available to the Department and interested parties upon request. *34 C.F.R. §§ 86.3 and 86.100*

**Noncompliance:** STLCOP violated one requirement of the DFSCA. At the time of the site visit, STLCOP was unable to produce documentation that it had distributed an accurate and complete DAAPP disclosure, as required, to current students. Since STLCOP failed provide proof that a materially-complete annual DAAPP disclosure was actively distributed to all students enrolled for academic credit, the Department must assume that STLCOP failed to meet this requirement of the DFSCA.

The Department does note that STLCOP did provide documentation that the DAAPP disclosure was sent to all new and current employees as required.

Failure to comply with the DFSCA requirements deprives students and employees of important information regarding the educational, health, legal, disciplinary, and financial consequences of illicit drug use and alcohol abuse. Such failures may contribute to increased drug and alcohol abuse on-campus as well as an increase in drug and alcohol-related violent crime.

**Required Action:** STLCOP is required to take all necessary corrective actions to resolve these violations and to otherwise ensure that they do not recur. At a minimum, STLCOP must perform the following:

- Publish a materially-complete annual DAAPP disclosure that summarizes the program;
- Develop detailed policies and procedures that will ensure that the DAAPP disclosure is distributed annually to every student who enrolls for any academic credit and to all employees. This policy must provide for active delivery to every member of the campus community regardless of when they enroll or are hired and irrespective of the duration of enrollment/employment. A copy of STLCOP's

new DAAPP and new distribution policy must accompany with its response to this program review report; and,

- Actively distribute the new DAAPP disclosure in accordance with the institution's policy and the law. Following distribution, STLCOP must provide documentation evidencing the distribution as well as a statement of certification attesting to the fact that the materials were distributed in accordance with the *DFSCA*. This certification must also affirm that the institution understands all of its *DFSCA* obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur

As noted above, violations of the *DFSCA* are very serious and by their nature, cannot be cured. STLCOP will be given an opportunity to bring its drug and alcohol program into compliance with the *DFSCA* as required by its Program Participation Agreement. However, the institution is advised that these remedial measures cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the Department will impose additional corrective or administrative actions.

Based on an evaluation of all available information, including STLCOP's response, the Department will determine if additional action will be required and will advise the institution accordingly in the Final Program Review Determination letter.

#### **Finding 5: Satisfactory Academic Progress (SAP) Policy Not Adequate**

**Citation:** In order to be eligible to receive Title IV, HEA program aid, a student must maintain Satisfactory Academic Progress (SAP) in accordance with the institution's published standards of satisfactory progress. *34 C.F.R. § 668.32(f)* An institution's policy must be the same or stricter than the satisfactory academic progress standards applied to a student who is not receiving Title IV, HEA program aid. *34 C.F.R. § 668.34(a)(1)* The policy must specify the grade point average (GPA) that a student must achieve at each evaluation. *34 C.F.R. § 668.34(a)(4)(i)* The policy must have both a qualitative component, such as grades, that are measureable against a norm and a quantitative component that consists of a maximum timeframe in which the student must complete the educational program. In addition, the quantitative component must be divided into increments not to exceed one academic year and must include a schedule designating the amount of work that a student must successfully complete at the end of each increment to complete the educational program within the maximum timeframe. The policy must also define the effect of course incompletes, withdrawals, repetitions, noncredit remedial courses, and transfer credits from another institution on SAP, both GPA and pace of completion. Credit hours from another institution that are accepted toward a student's educational program must count as both attempted and completed hours. *34 C.F.R. § 668.34(a)(5-6)*

The policy must specify the qualitative standard (grade point average or GPA) that a student must have at each evaluation. In addition, the Higher Education Act requires a specific qualitative review at the end of the student's second academic year. Students enrolled in a program of more than two academic years must have a GPA of at least 2.0 or its equivalent or must have an academic standing consistent with an institution's graduation requirements. Having a standing consistent with the requirement for graduation means an institution could use an escalating GPA instead of a fixed one. For example, if an institution uses a 4-point scale, it could require students to have a 2.0 average by graduation but allow their average to be lower earlier in their program. An SAP review is not complete until both the qualitative and quantitative measures have been reviewed. *2012-13 Federal Student Aid Handbook, Volume 1, Chapter 1, pg. 1-8 and 1-9*

If the institution places students on financial aid warning or financial aid probation, as defined in 34 C.F.R. § 668.34(b), the institution must have a policy that describes these statuses. This policy must also inform students that a student who is placed on financial aid warning is still eligible to receive Title IV, HEA funds for one more payment period despite the fact the student is not making SAP, and that a student on financial aid probation may receive Title IV, HEA funds for one payment period after an approved SAP appeal. At the end of one payment period the student must meet the institution's SAP standards or meet the requirements of the academic plan developed by the institution, if the institution chooses to develop academic plans for financial aid probation students. *34 C.F.R. § 668.34(a)(8)(i-ii)*

**Noncompliance:** Information obtained from STLCOOP's academic catalog for the 2011-12 academic year, and corroborated in the Department's interview with the Financial Aid Director, indicated that STLCOOP evaluated SAP progress based on the institution's Academic Progress and Academic Probation and Dismissal policies which is assessed and enforced by the Academic Dean's Office. This policy allowed students to appeal, and then to remain on probation without meeting the SAP requirements and without an academic plan. Only one student was allowed to continue on probation in this manner for the 2011-2012 award year. The student did not meet SAP during her second probation, and was placed on Financial Aid Suspension (ineligible for Title IV, HEA funds) beginning in the Fall 2013 semester. The student has since left the institution.

For the 2012-2013 award year, STLCOOP updated its policy, but failed to calculate all attempts of a course in students' cumulative attempted hours, including only the completion of the course with the highest grade. The Financial Aid Director evaluated all of the students for the Fall 2012 semester, and found that changing this quantitative component only affected the SAP status of three students and thus their Title IV, HEA funds eligibility.

**Required Action:** STLCOOP has reviewed its SAP policy, and ensured it meets the Federal SAP regulations that went into effect as of July 1, 2011. A copy of the updated, compliant

policy was submitted to the Department. STLCOP also provided an evaluation of its students' SAP measures in a spreadsheet format. This documentation was provided to the Department during the reviewers' on-site visit. For each student listed in Appendix C, STLCOP also must provide legible copies of the following documents:

- (a) Student account card;
- (b) Academic transcript;
- (c) Copies of SAP Appeals if applicable;
- (d) Pertinent COD screen shots indicating amounts and dates of disbursements and NSLDS screen shots for Pell and Direct Loans indicating amounts and dates of disbursements.

In addition, STLCOP must provide assurance that it will appropriately monitor SAP, and in the future, withhold Title IV, HEA funds to students subject to financial aid termination.

Hard copy and electronic files containing PII must be safeguarded as described in the enclosure to the cover letter of this report.

The FPRD letter will provide STLCOP with repayment instructions for the identified liabilities. The institution must not repay any funds owed to the Department until the FPRD is issued.

### **Finding 6: Improper Return of Title IV Funds Calculation**

**Citation:** Federal regulations state that when a recipient of Title IV, HEA funds withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must perform a Return of Title IV Funds calculation to determine the amount of Title IV, HEA grant or loan assistance the student earned as of the student's withdrawal date. The calculation should incorporate all of the elements of a Return of Title IV Funds calculation identified in pertinent Federal regulations. *34 C.F.R. § 668.22*

Regulations additionally define "institutional charges" as tuition, fees, room and board (if the student contracts with the institution for the room and board) and other educationally-related expenses assessed by the institution. *34 C.F.R. § 668.22(g)(2)* The institutional charges used in a Return calculation are the charges that were initially assessed a student for the entire payment period or period of enrollment as applicable. Initial charges may only be adjusted by those changes the institution made prior to the student's withdrawal (for example, for a change in enrollment status unrelated to the withdrawal). If, after a student withdraws, the institution changes the amount of institutional charges it is assessing a student, or decides to eliminate all institutional charges, those changes affect neither the charges nor aid earned in the calculation.

*2012-13 Federal Student Aid Handbook, Volume 5, Chapter 1, pg. 5-15*

Federal regulations also state that for Return of Title IV Funds calculations the percentage of a payment period or period of enrollment must include the total number of calendar days within the period, except scheduled breaks of at least five consecutive days, which are excluded from the total number of calendar days and the number of calendar days completed in that period. *34 C.F.R. § 668.22(f)(2)(i)*

**Noncompliance:** While reviewing STLCOP's Return of Title IV Funds (Returns) calculations the Department discovered that STLCOP was including the weekend days after the Spring break in the total days for the Spring 2012 semester. STLCOP is required to exclude not only the 5 weekdays, but also the 2 preceding and 2 subsequent weekend days for a total of 9 days. These weekend days must be excluded from the total number of days in the Spring semester Return calculations unless STLCOP can provide proof classes were held on these days. This issue effects all Return calculations for the Spring 2012 semester. For example, Student #33 was enrolled in the Spring 2012 semester, and withdrew on 03/30/2012. STLCOP included the weekend days after the Spring 2012 break in the Return calculation; this meant that the institution calculated the number of "Total Days" in the semester as 109. STLCOP should have used 105 as the "Total Days" in the semester. STLCOP returned \$325.70 more than required in Title IV, HEA Direct PLUS loan funds. This issue was also reported in STLCOP's A-133 audit (FYE 06/30/12).

In one instance, the Department found that STLCOP used the incorrect beginning and ending dates, and thus the incorrect "Total Days" and "Completed Days" for a sixth year student in the student's Return calculation. STLCOP processed a Return calculation for Student #32 showing the student's "Start Date" as 01/03/12 and the "Scheduled End Date" as 04/22/2012 with a Spring Break 03/17/12 through 03/25/12 for the Spring 2012 semester; however the actual "Start Date" was 01/09/2012 and the actual "Scheduled End Date" was 04/27/2012 for the Spring 2012 semester. STLCOP previously calculated that the student's Spring 2012 semester had "Total Days" of 111 and "Completed Days" of 23. The Department performed a Return calculation using the correct start and end dates, correct "Total Days" of 101, and correct "Completed Days" of 17. The Department determined that the amount to be returned should have been \$7575 in Title IV, HEA Direct Unsubsidized Loan funds. STLCOP previously returned \$7,219 of the student's Title IV, HEA Direct Unsubsidized Loan funds for the Spring 2012 semester. An additional \$356 in Title IV, HEA Direct Unsubsidized Loan funds still needs to be returned.

Due to the nature of the program STLCOP offers, the institution has only a few students each year that withdraw, and thus it processes a minimal amount of Return calculations. The Department reviewed all Return calculations STLCOP processed during the 2011-12 and 2012-13 award years; these students are listed in Appendix B.

**Required Action:** In response to this finding, STLCOP must perform an updated Return calculation for Student #32, and submit a copy of the calculation with the institution's response to this report. Additionally, STLCOP must review and revise its internal policies and procedures to ensure that Return of Title IV Funds calculations are performed correctly, and the correct number of "Completed Days" and "Total Days" are used for each semester. A copy of these policies and procedures must accompany STLCOP's response to this report.

Hard copy and electronic files containing PII must be safeguarded as described in the enclosure to the cover letter of this report.

The FPRD letter will provide STLCOP with repayment instructions for the identified liabilities. The institution must not repay any funds owed to the Department until the FPRD is issued.

#### **Finding 7: Return to Title IV Policy Not Developed/Inadequate**

**Citation:** When a recipient of Title IV, HEA grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV, HEA grant or loan assistance that the student earned as of the student's withdrawal date. *34 C.F.R. §668.22* An institution should provide sufficient information for a student to be able to determine the procedures for withdrawing and the financial consequences of doing so. In addition, a student should be able to estimate how much Federal Student Aid he or she will retain, and how much he or she may have to return upon withdrawing. *2012-13 FSA Handbook Volume 5, Chapter 1, p. 5-6*

The institutional charges used in a Return calculation are the charges that were initially assessed a student for the entire payment period or period of enrollment as applicable. Initial charges may only be adjusted by those changes the institution made prior to the student's withdrawal (for example, for a change in enrollment status unrelated to the withdrawal). If, after a student withdraws, the institution changes the amount of institutional charges it is assessing a student, or decides to eliminate all institutional charges, those changes affect neither the charges nor aid earned in the calculation. *2012-13 Federal Student Aid Handbook, Volume 5, Chapter 1, pg. 5-15*

**Noncompliance:** STLCOP failed to adequately inform prospective and enrolled students of all Return of Title IV Funds requirements. Specifically, STLCOP must inform prospective and enrolled students of the financial consequences of withdrawing and that federal funds may not cover all unpaid institutional charges due to the institution upon the student's withdrawal. The institution must also provide an estimate of the amount of aid the student may earn and an estimate of the amount the student may have to return.

**Required Action:** In response to this report, STLCOP must revise its Return of Title IV Funds policy to include the missing or incomplete policy statements noted above. A copy of the revised policy and should accompany STLCOP's response to this report.

### **Finding 8: Verification Violations**

**Citation:** The purpose of verification is to ensure accuracy in determining a student's eligibility for Title IV, HEA program funds. If a student is selected for verification, an institution is responsible for confirming information reported on the student's application for federal student aid, as well as resolving any conflicting information that presents itself regarding that application. The five required data elements that must be verified are: (1) household size; (2) number enrolled in college; (3) adjusted gross income (AGI); (4) U.S. income tax paid; and (5) other untaxed income and benefits. Supporting documentation collected from the student or parents is compared to the information that was reported on the student's Institutional Student Information Record (ISIR). An institution must retain in the student's file any verification documentation it collects to serve as evidence that it completed the verification process. *34 C.F.R. § 668.16(f), 668.24(c)(1)(i), 668.56 and the Department's 2011-2012 Application and Verification Guide*

**Noncompliance:** One student file for the 2011-2012 award year was improperly verified.

**Student #13:** SLTCOP collected all of the required documents to complete this student's verification. The student's parents received a Making Work Pay credit in the amount of \$800, but STLCOP failed to correct this information on the student's ISIR. The student's verification documents were received on 05/11/2011, after the updated guidance regarding the Making Work Pay credit in the Department's 2011-2012 Application and Verification Guide had been published (03/31/2011).

**Required Action:** In response to this report, SLTCOP must resolve the verification deficiency of the above-cited student. If the resolution of the issue involves changes to the student's EFC, SLTCOP must recalculate the student's Title IV, HEA eligibility accordingly. SLTCOP must update their policies and procedures to make sure all required elements are verified. A copy of these policies and procedures must accompany STLCOP's response to this report.

SLTCOP is reminded that hard copy files containing PII must be safeguarded as described in the enclosure to the cover letter of this report.

### **Finding 9: Failure to Notify Borrowers of Right to Cancel Loans**

**Citation:** Title IV, HEA regulations state that, except in the case of certain post-withdrawal disbursements, if an institution credits a student's account at the institution with Federal Direct Loan funds, the institution must notify the student or parent of—

- i. The anticipated date and amount of the disbursement;
- ii. The student's right or parent's right to cancel all or a portion of that loan, or loan disbursement, and
- iii. The procedures and time by which the student or parent must notify the institution that he or she wishes to cancel the loan, loan disbursement, TEACH Grant, or TEACH Grant disbursement.

The institution must provide the notice described above—

- i. No earlier than 30 days before, and no later than 30 days after, crediting the student's account at the institution, if the institution obtains affirmative confirmation from the student; or
- ii. No earlier than 30 days before, and no later than seven days after, crediting the student account at the institution, if the institution does not obtain affirmative confirmation from the student. *34 C.F.R. § 668.165*

**Noncompliance:** When interviewing STLCOP's Financial Aid Director the reviewers were informed that while students do receive a notice when Title IV, HEA funds are disbursed to their account, STLCOP has not been notifying students of their right to cancel their Title IV, HEA Federal Direct Loans. STLCOP previously sent right to cancel notifications for students who received Title IV, HEA FFEL Loan funds, and have been sending right to cancel notifications to student who receive Title IV, HEA Federal Perkins Loan funds. STLCOP did not update its computer system to identify Title IV, HEA Federal Direct Loans recipients when it moved to the Title IV, HEA Federal Direct Loan program.

**Required Action:** STLCOP must develop and implement a statement regarding students' right to cancel to be sent with the notification of all loan disbursements. A copy of this statement, and a copy of STLCOP's updated policies and procedures must accompany the institution's response to this report.

### **Finding 10: Consumer Information Requirements Not Met**

**Citation:** The Higher Education Act of 1965 (HEA), as amended by the Higher Education Opportunity Act of 2008 (HEOA), includes many disclosure and reporting requirements. A disclosure requirement is information that a postsecondary education institution is required to distribute or make available to another party, such as students or employees. Additionally, the Code of Federal Regulations outlines required consumer disclosures in multiple areas, including 34 C.F.R. §668 and others.

- **Refund policy, requirements for withdrawal, and Return of Title IV financial aid**

All institutions participating in Title IV, HEA student financial aid programs must make available to prospective and enrolled students, through appropriate publications, mailings, or electronic media, information about:

- The institution's refund policy;
- Requirements and procedures for official withdrawal; and
- Requirements for return of Title IV, HEA grant or loan aid.

*HEA Sec. 485(a)(1)-(2); 34 C.F.R. §668.41(a)-(d); 34 C.F.R. §668.43*

- **Intercollegiate Athletic Program Participation Rates and Financial Support Data (Equity in Athletics Disclosure Act)**

All co-educational institutions participating in Title IV, HEA programs that have an inter-collegiate athletic program, must make available to prospective and current students, through appropriate publications, mailings, or electronic media, about their athletic program. Current and prospective students must be provided a notice of their right to request such information. If the information is provided on a website, the notice must provide the exact electronic address, brief description of the report, and a statement that the institution will provide a paper copy upon request.

The report must include, for the preceding year:

- the number of male and the number of female full-time undergraduates enrolled;
- unduplicated head count of participants on at least one varsity team, by gender;
- list of the varsity teams that competed in intercollegiate athletic competition, and for each team
  - total number of participants, the number of participants who also participated on another varsity team, and the number of other varsity teams on which they participated;
  - total operating expenses;
  - whether the head coach was male or female and whether the head coach was assigned to the team on a full-time or part-time basis, and for part-time head coaches whether the coach was a full- or part-time employee of the institution;
  - number of male and the number of female assistant coaches, and the number of male and the number of female assistant coaches who were assigned to the team on a full-time or part-time basis; and
  - the number of part-time assistant coaches who were full-time and part-time employees of the institution. total revenues attributable to intercollegiate athletic activities, and the revenues from football, men's

basketball, women's basketball, all other men's sports combined, and all other women's sports combined;

- total revenues generated across all men's teams and across all women's teams;
- total amount of money spent on athletically related student aid, separately for men's and women's teams overall;
- ratio of athletically related student aid awarded to male athletes to athletically related student aid awarded to female athletes;
- total amount of expenditures on recruiting, separately for men's teams and women's teams overall;
- average annual institutional salary of head coaches of men's teams and of women's teams, across all offered sports;
- average annual institutional salary of the assistant coaches of men's teams and of women's teams, across all offered sports; and
- total expenses attributable to intercollegiate athletic activities, and the expenses attributable to football, men's basketball, women's basketball, all other men's sports combined, and all other women's sports combined.

*HEA Sec. 485(g); 34 C.F.R §668.41(a)-(b); 34 C.F.R §668.41(g); 34 C.F.R §668.47*

- **Complete/Graduation and Transfer-out rates (including disaggregated completion/graduation rates) (Student Right-to-Know Act)**

All institutions participating in Title IV, HEA student financial aid programs that enroll first-time, full-time undergraduate students, must annually make available to prospective and enrolled students, through appropriate publications, mailings, or electronic media, the following data:

(a) Completion/Graduation and Transfer-out Rates:

Institutions must disclose the completion or graduation rate of certificate- or degree-seeking, first-time, full-time, undergraduate students. The data must be made available by July 1 each year for the most recent cohort that has had 150 percent of normal time for completion by August 31 of the prior year.

An institution that determines that its mission includes providing substantial preparation for students to enroll in another Title IV, HEA-eligible institution must disclose a transfer-out rate for each cohort. A student shall be counted as a completion or graduation if the student earns a degree or certificate or completes a transfer-preparatory program within 150 percent of normal time for the student's program.

(b) Disaggregated Completion/Graduation Rates:

The HEOA (Sec. 488(a)(3)) added a provision requiring that the completion or graduation rates must be disaggregated by:

- gender;
- major racial and ethnic subgroup (as defined in IPEDS);
- recipients of a Federal Pell Grant;
- recipients of a subsidized Stafford Loan who did not receive a Pell Grant; and
- students who did not receive either a Pell Grant or a subsidized Stafford Loan.

Students are to be considered to have received a grant or loan if they received it for the period used for determining the cohort fall term or full year.

(c) Complete/Graduation and Transfer-out rates for Students Receiving Athletically Related Student Aid

All institutions that participate in Title IV, HEA student financial aid programs and enroll students who receive athletically-related student aid, must annually provide prospective student athletes of athletically-related student aid at the time an offer is made. If the NCAA provides the information for the institution to high school coaches and counselors, the institution is deemed to be in compliance with that requirement. The report must also be sent to the Department of Education.

The report must contain:

- the number of students, by race and gender, who attended the institution in the prior year;
- the number of students who attended in the prior year and who received athletically related aid, categorized by race and gender within each sport (basketball, football, baseball, cross-country and track combined, and all other sports combined);
- the completion or graduation rate, and if applicable, the transfer-out rate, of the certificate- or degree-seeking first-time, full-time undergraduates, categorized by race and gender for the most recently completing class the completion or graduation rate, and if applicable, the transfer-out rate, of the certificate- or degree-seeking first-time, full-time undergraduates who received athletically related student aid, categorized by race and gender within sport. (These data need not be disclosed for a category in which the number of students is five or fewer.)
- average completion or graduation rate, and, if applicable, transfer-out rate, of the four most recently completing or graduating classes, by race and gender; and
- average completion or graduation rate, and, if applicable, transfer-out rate, of the four most recently completing or graduating classes for students

who received athletically related student aid, categorized by race and gender within each sport.

*HEOA Sec. 488(a)(2): amended HEA Sec. 485(a); New HEA Sec. 485(a)(4);  
HEOA Sec. 488(a)(3): amended HEA Sec. 485(a); New HEA Sec. 485(a)(7);  
34 C.F.R. §668.41(a)-(d); 34 C.F.R. §668.45; 34 C.F.R. §668.8(b)(1)(ii)*

**Noncompliance:** In reviewing STLCOP's consumer information the above consumer information requirements were missing, and not made available to students.

**Required Action:** STLCOP must revise its consumer information to include the missing or incomplete policy statements noted above. STLCOP is addressing the missing Return to Title IV policy information in Finding 2, but must include a copy of the updated policies with this finding as well. A discussion of these revisions and how they have been disseminated to students must accompany STLCOP's response.

#### **D. Recommendations**

The following are recommendations based upon observations made by the review team during the program review. STLCOP is not required to provide a response to, nor is STLCOP required to act upon, these recommendations. However, the review team believes that adoption of these recommendations will assist the institution in its administration of Title IV, HEA program funds.

STLCOP lacks supporting documentation for many of the appeals or professional judgments made by the financial aid staff. STLCOP routinely requires only a statement submitted by a student or parent for procedures such as SAP appeals and professional judgments. In order for the STLCOP financial aid staff to be able to document a student's situation correctly, and to have documentation to support the decisions made by the staff, STLCOP should develop policies and procedures outlining what documentation is required from students, and collect all pertinent documentation to support these judgments.