

## U.S. Department of Education

October 9, 2015

Dr. William Scroggins Mount San Antonio College 1100 North Grand Avenue Walnut, CA 91789-1399

Dear Dr. William Scroggins:

On September 22, 2015 our policy office sent you a letter (included in an email) that notified you that your institution was not in full compliance with the regulatory requirement that it report information to the Department of Education (Department) on students who were enrolled in academic programs that we had identified (based on your institution's reporting to our Common Origination and Disbursement (COD) System) as Gainful Employment Programs (GE Programs). Despite our earlier communication to your institution, our records show that as of October 9, 2015 your institution remains out of compliance with the GE Program reporting requirement.

As we noted in the earlier communication, failure of your institution to comply with the Gainful Employment reporting regulatory requirement is an indication of a serious lack of administrative capability by your institution. As a result, the Department is taking the following actions against your institution that will remain in effect at least until your institution meets all of the required GE Program reporting requirements:

- If your institution is currently fully certified, you must "apply and wait", pursuant to 34 CFR 600.20(c)(1), before adding new programs or additional locations, and no decisions will be issued on those applications until your institution meets the GE program reporting requirements.
  - If your institution currently receives its federal student aid funds under the Heightened Cash Management 2 (HCM2) method of payment, the Department will determine whether your institution has reported the required information for all of its GE Program(s) as an additional condition before approving payments for any eligible student enrolled in those GE programs.
- If your institution is currently provisionally certified, no decisions will be issued on applications for new programs or additional locations until your institution meets the GE program reporting requirements.
  - If your institution has been placed on Heightened Cash Monitoring 2 (HCM2), the Department will determine whether your institution has reported the required information for all of its GE Program(s) as an additional condition before approving payments for any eligible student enrolled in the respective GE program(s).
- If your institution is pending recertification, processing of the recertification application will be suspended until your institution's non-compliance with the GE Program reporting requirement has been resolved. If not satisfactorily resolved promptly, the Department

will limit or deny your institution's recertification to continue participating in the Title IV programs. In addition, if you submitted (or have pending) any changes that would expand your institutional eligibility (e.g. adding new programs or additional locations), you must also "apply and wait" as any such actions will not be processed until your institution meets the GE Program reporting requirements.

In addition to the conditions described above, failure to fully comply in all GE data reporting requirements will result in the referral of your institution to the Department's Administrative Actions and Appeals Service Group (AAASG) for consideration of an administrative action against your institution. Administrative actions may include a fine, or the limitation, suspension, or termination of your institution's eligibility to participate in the Title IV, HEA programs. Such actions may also include the revocation of the institution's program participation agreement (if provisional), or, if the institution has an application pending for renewal of its certification, denial of that application. If we take any such action, a separate notification will be provided to you, which will include institutional appeal rights, and procedures to file an appeal.

In Gainful Employment Electronic Announcement #60, posted to our Information for Financial Aid Professionals web site (ifap.ed.gov), we provided information on how an institution may inform the Department that an identified GE program was not a program that needed to be reported. That Electronic Announcement also noted that one of the reasons why some institutions did not report on a program that we had identified as a GE Program was due to incorrect program reporting by the institution to the COD System. Gainful Employment Electronic Announcement #60 provides more information on this issue and specific steps that an institution must take to resolve the impact of its incorrect COD reporting.

## **Contact Information**

Finally, we remind you that the Gainful Employment Information Page on the IFAP website contains publications and resources on gainful employment as well as Frequently Asked Questions (FAQs). Policy questions that have not already been addressed in the FAQ section of the Gainful Employment Information Page may be submitted to GE-Questions@ed.gov.

If you or your staff have questions about NSLDS, contact the NSLDS Customer Support Center at 800/999-8219. You can also contact Customer Support by e-mail at nslds@ed.gov.

If you have questions regarding the compliance actions taken as described in this letter, contact your School Participation Division. Regional contact information is available at the following link: http://www.eligcert.ed.gov/.

Sincerely,

Ron Bennett, Director School Eligibility Service Group Program Compliance

U.S. Department of Education

CC: Ms. Chau Dao, Financial Aid Director