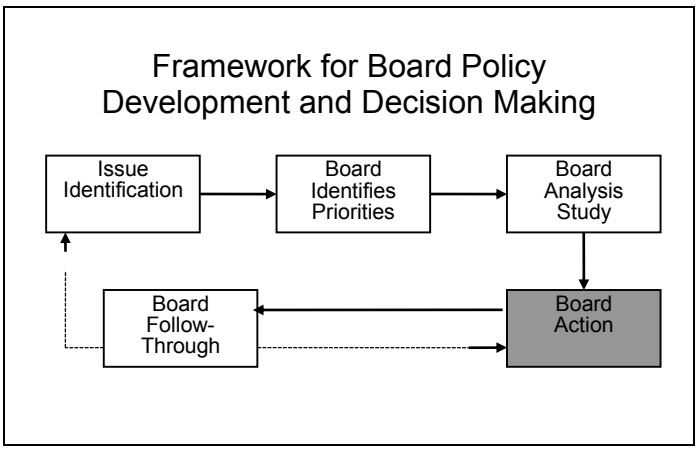
Attachment 4

Iowa State Board of Education

Executive Summary

November 19, 2014



Agenda Item: Rules: 281 IAC Chapter 21 - Community Colleges (Notice)

Iowa Goal: Individuals will pursue postsecondary education in order to drive economic success.

State Board Role/Authority: Iowa Code section 256.7(5) gives the State Board of Education the statutory authority to adopt rules under chapter 17A.

Presenter: Jeremy Varner, Administrator
Division of Community Colleges

Attachments: 1

Recommendation: It is recommended that the State Board give public notice of its intent to amend Chapter 21.

Background: The proposed amendment to 281 Iowa Administrative Code (IAC) chapter 21 would clarify protocol for community college residency determinations for students, including veterans, and clarify permissible tuition rates. The amendment would move the State Board of Education's Uniform Policy on Residency Status into Iowa Administrative Code. The amendment would also clarify the technical specialty components of diploma and certificate programs.

EDUCATION DEPARTMENT [281]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 256.7(5), the State Board of Education hereby proposes to amend Chapter 21, "Community Colleges," Iowa Administrative Code.

This proposed change would clarify protocol for community college residency determinations for students, including veterans, and clarify permissible tuition rates. The proposed change would move the State Board of Education's Uniform Policy on Residency Status into administrative rule. The proposed change also clarifies the technical specialty component of diploma and certificate programs.

An agencywide waiver provision is provided in 281 – Chapter 4.

Interested individuals may make written comments on the proposed amendments on or before December 30, 2014, at 4:30 p.m. Comments on the proposed amendments should be directed to Jeremy Varner, Iowa Department of Education, Second Floor, Grimes State Office Building, Des Moines, Iowa, 50319-0146; telephone (515) 281-8260; or email jeremy.varner@iowa.gov.

A public hearing will be held on December 30, 2014, from 10:00 a.m. to 11:00 a.m. in the State Board Room, Second Floor, Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa, at which time persons may present their views either orally or in writing. Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should advise the Department of Education of their specific needs by calling (515) 281-5295.

After analysis and review of this rulemaking, no impact on jobs has been found.

The amendment is intended to implement Iowa Code Chapter 260C.

The following amendment is proposed.

281 – 21.2(260C) Administration.

ITEM 1. Amend subrule **21.2(9),** paragraphs 'g" and "h" as follows:

21.2(9)(g). *Diploma.* The diploma is awarded upon completion of a state-approved program of study that is a coherent sequence of courses consisting of a minimum of 15 semester (22.5 quarter) credit hours and a maximum of 48 semester (72 quarter) credit hours including at least 3 semester (4.5 quarter) credit hours of general education. The general education component shall be from any of the following areas: communications, social science or

humanities, and mathematics or science. A diploma may be a component of and apply toward subsequent completion of an associate of applied science or associate of applied arts degree. The technical specialty component of the diploma shall constitute a minimum of 75 percent of the course credits.

21.2(9)(h). *Certificate.* The certificate is awarded upon completion of a state-approved program of study that is designed for entry level employment and shall consist of a maximum of 48 semester (72 quarter) credit hours. A certificate may be a component of and apply toward subsequent completion of a diploma or associate of applied science or associate of applied arts degree and may be developed in rapid response to the needs of business and industry. Certificate programs are not intended to have a general education component and may include general education coursework only if demonstrated to be necessary. A certificate may consist of only career and technical courses and no general education course requirements. The technical specialty component of a certificate shall constitute a minimum of 75 percent of the course credits.

ITEM 2. Rescind subrule **21.2(11)** and adopt the following **new** subrule in lieu thereof:

21.2(11) *Residency status and tuition.* A person who has been admitted to an Iowa community college shall be classified as a resident or as a nonresident for admission, tuition, and fee purposes. A person classified as a resident shall pay resident tuition costs. A person classified as a nonresident shall pay a nonresident tuition cost. Tuition rates are established by a community college's board of trustees pursuant to Iowa Code chapter 260C.14(2).

(a) Tuition rates. Tuition rates adopted by a college board of directors shall be consistent with the following requirements.

(1) *Resident Tuition.* Tuition for residents may not exceed the lowest tuition rate per semester, or the equivalent, for a full-time student charged by an institution of higher education under the state board of regents. For students of high school age enrolled in a course through a contractual agreement with a school district, the limit on resident tuition shall not apply and the amount of tuition shall be determined by the board of trustees of the community college with the consent of the school board. Resident tuition rates shall not require department approval.

(2) *Nonresident Tuition.* Tuition for nonresidents shall not be less than the marginal cost of instruction of a student attending the college. The establishment of nonresident tuition rates

shall not require department approval, with the exception of rates established pursuant to subrules 21.11(a)(2)(B), 21.11(a)(2)(C), and 21.11(a)(3).

1. International student tuition rates. A separate nonresident rate for international students shall be permissible, provided the rate is reasonable and reflects the cost of appropriate services.

2. Reciprocal agreements. A lower tuition rate for nonresidents is permitted under a reciprocal tuition agreement between a community college and an educational institution in another state, if the rate established in the agreement is approved by the department.

3. Other nonresident rates. Other nonresident tuition rates may be established for specific purposes provided the tuition rate is greater than the resident tuition rate, not less than the marginal cost of instruction, and the arrangement is approved by the department.

(3) *Consortia.* A separate tuition rate for residents and nonresidents is permitted for courses delivered through a consortia agreement for online, distance education, or other coursework between Iowa community colleges, if the rate established in the agreement is approved by the department. A consortium tuition rate shall not be less than the marginal cost of instruction for nonresident students and shall not exceed the lowest tuition rate charged by an institution under the state board of regents for resident students. Additionally, tuition shall not be less than the lowest rate or higher than the highest nonresident rate of institutions within the consortium.

(4) *Noncredit course tuition.* Tuition for noncredit continuing education courses shall be determined based on course costs and market demand. Tuition rates for courses that are not credit bearing shall not require department approval.

(5) *Department approval.* For tuition rates requiring department approval, the department shall approve rates which comply with the requirements set forth in this chapter. A community college shall request and receive approval for a tuition rate requiring such approval, prior to the rate being adopted by the institution's board of directors and charged to students.

(6) *Reporting.* A community colleges shall annually report all tuition rates and mandatory fees annually in a manner prescribed by the department.

(7) *Notification.* A community college shall inform all students about residency status determinations, the appeal process, and tuition policies. Information shall be included in

appropriate publications such as the college's catalog, registration materials, website, and student handbook.

(b) *Determination of Residency Status.* In determining a community college resident or nonresident classification, the primary determinant shall be the reason the person is in the state of Iowa. The second determinant shall be the length of time a person has resided in Iowa. If a person is in the state primarily for educational purposes, that person shall be considered a nonresident. The burden of establishing the reason a person is in Iowa for other than educational purposes rests with the student.

(1) *Procedure.* The registrar or officially designated community college office shall require written documents, affidavits, or other related evidence deemed necessary to determine why a student is in Iowa. A student shall be required to file at least two documents from different sources to determine residency status. Examples of acceptable documentation include: written and notarized documentation from an employer that the student is employed in Iowa or a signed and notarized statement from the student describing employment and sources of support; an Iowa state income tax return; an Iowa driver's license; an Iowa vehicle registration card, an Iowa voter registration card; proof of Iowa Homestead credit on property taxes. In all events to be determined a resident of Iowa, the individual must document residing in the state of Iowa for at least 90 days prior to the beginning of the term for which he/she is enrolling.

1. If a student gives misleading or incorrect information for the purpose of evading payment of non-resident fees, he or she must pay the non-resident fees for each term the student was not officially classified as a non-resident.

2. The procedures described in rule 21.11(2)(b) shall be administered by the registrar or staff designated by the community college.

(2) *Residency of minor students.* The domicile of a minor shall follow that of the parent with whom the minor resides except where emancipation of said minor can be proven. The word "parent" herein used shall include legal guardian or others in cases where the lawful custody of a minor has been awarded to persons other than actual parents. A minor living with a resident of Iowa who is legally responsible for the minor shall be granted resident status if the minor has lived with the Iowa resident for at least 90 days immediately prior to enrollment. The residency status of an emancipated minor shall be based upon the same qualifications established for a person having attained majority.

(3) *Residency of students who are not citizens of the United States.* The residency status of students who are not citizens of the United States shall be determined consistent with the following procedures.

1. A person who is a refugee or who is granted asylum by an appropriate agency of the United States must provide proof of certification of refugee or asylum grantee status. A person may be accorded resident status for admission and tuition purposes when the person comes directly, or within a reasonable time, to the state of Iowa from a refugee facility or port of debarkation and has not established domicile in another state.

2. A person, who has immigrant status, and his or her spouse or dependents, may establish Iowa residency in the same manner as a United States citizen.

3. A person who has non-immigrant status and who holds a non-student visa, and his or her spouse or dependents, may establish residency in the same manner as a United States citizen. An alien who has non-immigrant status and whose primary purpose for being in Iowa is educational is classified as non-resident.

4. A person who is a resident of an Iowa sister state may be classified as a resident or nonresident, per rules adopted by the college's board of directors.

(4) *Residency of federal personnel and dependents.* A person, or his/her spouse or dependent child, who has moved into the state of Iowa as the result of military or civil orders from the federal government, and the minor children of such persons, are entitled to immediate Iowa residency status.

(5) *Residency of veterans.* A veteran of military service or national guard, or his or her spouse or dependent child, shall be classified as a resident if the veteran is student meets the requirements of 21.11(b)(5)(A) or 21.11(b)(5)(B). To be eligible for residency, a dependent child must be claimed as a dependent on an eligible veteran's internal revenue service tax filing for the previous year.

1. The veteran is domiciled in Iowa and has separated from a U.S. military force with an honorable discharge or a general discharge, is eligible for benefits, or has exhausted benefits, under the federal Post-9/11 Veterans Educational Assistance Act of 2008 or any other federal authorizing veteran educational benefits program.

2. The individual is an active duty military person, or activated or temporarily mobilized National Guard member.

(6) *Reclassification of Residency Status*. It is the responsibility of a student to request a reclassification of residency status. If a student is reclassified as a resident for tuition purposes, such classification shall be effective beginning with the next term for which the student enrolls. In no case shall reclassification to residency status be made retroactive for tuition and fee purposes, even though the student could have previously qualified for residency status had the student applied.

(7) *Appeal*. The decision on the residency status of a student for admission, tuition, and fee purposes may be appealed to a review committee established by the community college. The findings of the review committee may be appealed to the community college board of directors, whose decision shall be a final administrative decision.