September 3, 2020

Dr. Martha Garcia, President
Imperial Valley College
380 East Aten Road
Imperial, CA 92251-9787

Sent via e-mail to:
martha.garcia@imperial.edu

RE: **Expedited Final Program Review Determination Letter**
OPE ID: 00121400
PRCN: 202020930180

Dear Dr. Garcia:

From March 23, 2020 to April 10, 2020, the U.S. Department of Education's (Department's) San Francisco/Seattle School Participation Division conducted a review of Imperial Valley College's (IVC's) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The purpose of this Final Program Review Determination letter is to close the program review.

The focus of the review was to determine IVC's compliance with the statutes and federal regulations as they pertain to the institution's administration of the programs authorized under Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 *et seq*. (Title IV, HEA programs). The review consisted of, but was not limited to, an examination of IVC's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, work-study payroll records, and student account ledgers.

The Department identified a sample of 30 student files for review from the 2018-19 and 2019-20 award years. The Department selected the files randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and social security numbers of the students whose files were examined during the program review.

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

The San Francisco/Seattle School Participation Division has made a Final Program Review Determination concerning the findings that were identified during the program review. The following is a discussion of the findings identified and the resolution of those findings.

Program Review Findings and Final Program Review Determinations:

Finding 1. Inaccurate Student Enrollment Reporting to the National Student Loan Data System (NSLDS)

Noncompliance: By entering into a Program Participation Agreement (PPA), an institution agrees that, among other criteria, it will submit reports to the Secretary at such times and containing such information as the Secretary may reasonably require to carry out the purpose of the Title IV, HEA programs. 34 C.F.R. § 668.14(b)(7). To begin and to continue to participate in any Title IV, HEA program, an institution shall demonstrate to the Secretary that the institution is capable of adequately administering that program under the Department's administrative capability standards. The Secretary considers an institution to have administrative capability if the institution, among other criteria, participates in the electronic processes that the Secretary provides at no substantial charge to the institution. 34 C.F.R. § 668.16(o).

IVC failed to accurately report student enrollment data in NSLDS for 3 of the 30 students in the review sample.

- **Student 7**: IVC reported this student as withdrawn, with an effective date of July 25, 2019; however, the student's transcript reflects that the student graduated on July 25, 2019.

- **Student 9**: IVC reported this student as enrolled half-time, with an effective date of December 18, 2019; however, the student's transcript reflects that the student graduated on December 14, 2019.

- **Student 11**: IVC reported this student as enrolled three-quarter time, with an effective date of December 18, 2019; however, the student's transcript reflects that the student's last date of attendance was December 14, 2019.

Institutional Action Taken to Resolve Noncompliance: In response to the review, IVC corrected the enrollment status in NSLDS for the above students, and provided screenshots as supporting documentation on April 8, 2020.

Finding 2. Federal Funds Not Identified in Bank Account

Noncompliance: An institution must maintain Title IV, HEA program funds in a bank or investment account that is federally insured. 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 including in the name of each account the phrase "Federal Funds," or notifying the bank or investment company that the account contains Title IV, HEA program funds and retaining a record of that notification. 34 C.F.R. § 668.163(a).
IVC failed to properly designate its bank account into which Title IV funds are deposited as containing "Federal Funds."

Institutional Action Taken to Resolve Noncompliance: In response to the review, on April 17, 2020, IVC provided a copy of the letter to its bank stating that its bank account with Union Bank receives federal funds deposits.

Program Review Recommendations:

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

Satisfactory Academic Progress (SAP) Policy and Pell Grant Lifetime Eligibility Used: Ensuring Students Have Information

Statutory and Regulatory Requirements
A student is eligible to receive Title IV, HEA program assistance if the student meets all of the requirements in the federal regulations, including the following:

> *A student must be a regular student enrolled, or accepted for enrollment, in an eligible program.* 34 C.F.R. § 668.32(a)(1)(i).

Eligible programs are those that lead to academic degrees or certificates, as outlined in 34 C.F.R. § 668.8 of the federal regulations.

An institution must establish a reasonable satisfactory academic progress (SAP) policy for determining whether an otherwise eligible student is making satisfactory academic progress in his or her educational program and may receive assistance under the Title IV, HEA programs. 34 C.F.R. § 668.34(a). The Secretary considers an institution's SAP policy to be reasonable if, among other criteria, the policy specifies the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum timeframe, as defined in 34 C.F.R. § 668.34(b), and provides for measurement of the student's progress at each evaluation; and an institution calculates the pace at which the student is progressing by dividing the cumulative number of hours the student has successfully completed by the cumulative number of hours the student has attempted. In making this calculation, the institution is not required to, but may, include remedial courses. 34 C.F.R. § 668.34(a)(5). The maximum time frame, for an undergraduate program measured in credit hours, is a period that is no longer than 150 percent of the published length of the educational program, as measured in credit hours. 34 C.F.R. § 668.34(b)(1).

For transfer students, only transfer credits that count toward the student's current program must be counted (as both attempted and completed hours; credits not counted toward the student's program may also be counted at the school's discretion, as described in the school's SAP policy). The policy may permit that, for students who change majors, credits and grades that do not count toward the new major will not be included in the satisfactory progress determination. You may limit how many times a student can change majors, for SAP purposes. *See* Federal Student Aid Handbook, 2018-19, Volume I.

Additionally, the provisions of the Consolidated Appropriations Act of 2012 (Public Law 112-74) limited, effective with the 2012-13 award year, the duration of a student's eligibility to receive a Federal Pell Grant to 12 semesters (or its equivalent). *See* HEA section 401(c)(5). This is referred to as the Pell Grant Lifetime Eligibility Used (LEU).

IVC's Policies and Practices

Transfer Between Academic Programs: IVC allows students to transfer between academic programs frequently, which assists in meeting students' academic and occupational needs. It is also evident that transfers between programs can result in students having taken courses/credits that do not count toward their new programs and in students needing to take additional classes that were not originally anticipated. Students may need to devote additional time to their schooling as a result, which could affect whether students will ultimately exceed their Pell Grant LEUs. Therefore, the Department recommends that students who receive Title IV funds and transfer between programs be made aware of the LEU limitations, so they do not find themselves having used all of their Pell Grant eligibility unexpectedly.

Remedial and English as a Second Language (ESL) Courses: Students may take a number of years of remedial and ESL coursework, where needed, in order to perform satisfactorily in his or her academic program of choice. Although there is a limit on the number of remedial classes that may be taken by a student and funded with Title IV funds, there is no such limit for ESL classes. However, similar to the above scenario with transfers, school officials and students should be aware that awarding Title IV funds over a series of semesters for such work may exhaust a student's eligibility for Pell Grants before he or she completes an academic program.

The Department recommends that IVC enhance its academic and financial aid SAP processes to ensure its students' progression and completion of their educational programs within the maximum timeframe.

Protection of Personally Identifiable Information (PII):
PII is any information about an individual that can be used to distinguish or trace an individual's identity (e.g., 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. Appendix A contains personally identifiable information and will be e-mailed to IVC as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file will be sent in a separate e-mail.

Record Retention:

Program records relating to the period covered by this program review must be retained until the end of the retention period applicable to the record under 34 C.F.R. § 668.24(e).

We appreciate IVC's collaboration and efforts to assist the review team during the program review process. If you have any questions please contact Marisol Mendoza, Senior Institutional Review Specialist, at (415) 486-5506 or via e-mail at Marisol.Mendoza@ed.gov.

Sincerely,

[redacted]

Martina Fernandez-Rosario
Division Chief
San Francisco/Seattle School Participation Division

Enclosure: Appendix A – Student Sample

cc: [redacted], Director of Financial Aid
Accrediting Commission for Community and Junior Colleges
California Community College – Chancellor's Office
Department of Defense (via e-mail at osd.pentagon.ousd-p-r.mbx.vol-edu-compliance@mail.mil)
Department of Veterans Affairs (via e-mail at INCOMING.VBAVACO@va.gov)
Consumer Financial Protection Bureau (via e-mail at CFPB_ENF_Students@cfpb.gov)

Imperial Valley College
OPE ID: 00121400
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APPENDIX A
Student Sample

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