

WAC 250-20-013 Institutional eligibility. (1) For an otherwise eligible student to receive a state need grant, the student must be enrolled in an eligible program at a postsecondary institution approved by the higher education coordinating board for participation in the state need grant program. To be eligible to participate, a postsecondary institution must:

(a) Be a postsecondary institution as defined in WAC 250-20-021(3).

(b) Participate in the federal Title IV student financial aid programs, including, at a minimum, the Federal Pell Grant program.

(2) In addition, a proprietary institution must demonstrate to the satisfaction of the board:

(a) That it is certified for participation in the federal Title IV student financial aid programs. Institutions which have been limited or suspended from Title IV programs are not eligible to participate in the state need grant program. A proprietary institution that is provisionally certified due to its failure to meet standards of administrative capability or financial responsibility may have its eligibility limited or denied. Institutions will be evaluated on a case-by-case basis and may be allowed to participate in a probationary status with conditions including a letter of credit, or other limitations.

(b) That it is capable of properly administering the state need grant program. In making this determination, the board will consider such factors as the institution's:

(i) Adequacy of staffing levels.

(ii) Staff training and experience in administering student financial aid programs and turnover in key personnel.

(iii) Compliance with the standards of administrative capability specified for purposes of federal Title IV program eligibility.

(iv) Pending legal regulatory issues.

(v) Written student complaints.

(vi) Compliance with state aid program regulations and guidelines.

(vii) Ability to maintain electronic systems to support state aid program tracking, payment requests and reporting obligations.

(c) That it is maintaining acceptable performance levels. In making this determination the board will consider such factors as the institution's:

(i) Student completion rate.

(ii) Student placement rate.

(iii) Student loan cohort default rate.

In evaluating completion and placement standards, the board will rely on the standards of the institution's accrediting agency or the standard established between the board and the institution at the time the participation agreement is signed. Multiple year averages will be considered in evaluating these standards. Each participating institution will submit its annual accreditation report to the board.

(d) That it is financially stable and has adequate financial resources to provide the services described in its official publications and statements. Institutions must meet the administrative and financial standards for participation in the federal Title IV programs. In making this determination, the board will consider such factors as:

(i) The school's annual financial statements. The board will not retain copies of confidential financial statements that cannot be exempted from the Public Disclosure Act, chapter 42.56 RCW.

(ii) The Department of Education's composite financial score.

- (iii) Federal program review findings.
- (iv) State reauthorization or relicensing reports.
- (v) Accrediting agency show cause or other findings.
- (vi) Enrollments by program and intent to terminate an existing program.
- (vii) Enrollment trends.
- (e) If evaluation of an institution's administrative capability, performance level, or financial strength results in concerns about the institution's participation in the state aid programs, the board may:
 - (i) Request additional information as well as give the school the opportunity to provide additional clarifying information.
 - (ii) Place an institution in a probationary status and specify the corrective actions which need to occur.
 - (iii) Require a letter of credit or bond.
 - (iv) Limit, suspend, or terminate an institution's participation in accordance with WAC 250-20-081.
- (3) "Probation" indicates the board has determined that the school has one or more significant deficiencies for which corrective action is required within a specified time period.
- (4) The school must renew its eligibility each year under these standards or as requested by the board. A school that has lost eligibility to participate must complete a new application for reconsideration.
- (5) Nothing in this section shall prevent the board, in the exercise of its sound discretion, from denying eligibility or terminating the participation of an institution which the board determines is unable to properly administer the program or provide advertised services to its students.
- (6) If an institution disagrees with actions taken by the board, the institution can appeal the action per the procedure outlined in WAC 250-20-081.

[Statutory Authority: Chapter 28B.92 RCW. WSR 08-15-156, § 250-20-013, filed 7/22/08, effective 8/22/08; WSR 07-15-038, § 250-20-013, filed 7/12/07, effective 8/12/07. Statutory Authority: Chapter 28B.80 RCW. WSR 06-17-046, § 250-20-013, filed 8/8/06, effective 9/8/06; WSR 95-17-045, § 250-20-013, filed 8/11/95, effective 9/11/95.]