
MINNESOTA

FINAL GRADING ANALYSIS

OVERALL SCORE: **314.75/700 POINTS (45%)**
LETTER GRADE: **F**

I. OVERSIGHT BODY: **30/100 POINTS**

A. IS THERE A STATUTORILY CREATED OVERSIGHT BODY
THAT IS PUBLICLY ACCOUNTABLE?
25/60 POINTS

Element	Points	Points Awarded
1. Oversight body is a multi-member board, commission, or panel created by statute	10	0
2. Oversight body was statutorily created specifically to oversee private postsecondary institutions	10	5
3. Multi-member board, commission, or panel is the ultimate decision maker (as opposed to a single person, like the head of a department or director)	10	0
4. Oversight body can engage in rulemaking	10	10
5. Oversight body's meetings must be open to the public	5	0
6. Oversight body's meetings must allow public comment	5	0
7. Oversight body can initiate investigations	5	5
8. Oversight body can impose penalties for violations	5	5
Total Points	60	25

Explanation:

Minn. Stat. § 136A.01, Subd. 1 creates the Office of Higher Education with a Commissioner appointed by the Governor. Minn. Stat. § 136A.01, Subd. 2(a) specifies the responsibilities of the Office.

Although Minnesota law does not provide for a multi-member panel / board to oversee private postsecondary institutions, Minn. Stat. § 136A.01 specifically authorizes the Office of Higher Education to oversee private postsecondary education.

The Commissioner is the sole decision maker with regard to fulfilling the responsibilities of the Office.

Minn. Stat. § 136A.01, Subd. 2(a)(8) authorizes the Office to prescribe rules (in accordance with Chapter 14, Administrative Procedure) necessary to administer the programs under its supervision.

The Office is not statutorily mandated to conduct meetings open to the public or to allow public comment during such meetings. Minnesota law does not expressly authorize the Office to initiate investigations.

Minn. Stat. § 136A.705 authorizes the director (assumed to be a reference to the Commissioner) to assess fines for violations of a provision of sections Minn. Stat. § 136A.61 to 136A.71.

With regard to schools that conduct programs at less than an associate degree level (Minn. Stat. § 141.29, subd. 3(c)), the Office may upon its own motion, and shall upon the verified complaint in writing of any person setting forth fact which, if proved, would constitute grounds for refusal or revocation under Laws 1973, chapter 714, investigate the actions of any applicant or any person or persons holding or claiming to hold a license or permit.

B. STATUTE-SPECIFIED MEMBERSHIP:

1. TO WHAT EXTENT ARE LIMITATIONS PLACED ON FOR-PROFIT MEMBERSHIP ON THE OVERSIGHT BODY?

0/25 POINTS

Explicit prohibition on for-profit majority, plus no possibility of a majority of the quorum	Explicit prohibition on for-profit majority	Discouraged	No prohibition specified, but not discouraged	For-profit majority mandated
25 Points	20 Points	10 Points	0 Points	-5 points

Explanation:

Pursuant to Minn. Stat. § 136A.01 et seq., the Office of Higher Education, and specifically the Commissioner thereof, provides the oversight for private for-profit postsecondary institutions. Minnesota law does not set forth limitations or qualifications with regard to the Commissioner, who is appointed by the Governor.

2. IS THE OVERSIGHT BODY MANDATED TO INCLUDE AT LEAST ONE CONSUMER ADVOCATE?

0/10 POINTS

Yes	No
10 Points	0 Points

Explanation:

Pursuant to Minn. Stat. § 136A.01 et seq., the Office of Higher Education, and specifically the Commissioner thereof, provides the oversight for private for-profit postsecondary institutions. Minnesota law does not require that the Commissioner be or have any background in consumer advocacy.

3. ARE THE MEMBERS APPOINTED BY A PUBLICLY ACCOUNTABLE OFFICIAL OR ELECTED IN A GENERAL ELECTION?

5/5 POINTS

All	Majority	Half	Minority	None
5 Points	3 Points	2.5 Points	1 Point	0 Points

Explanation:

Pursuant to **Minn. Stat. § 136A.01 et seq.**, the Commissioner of the Office of Higher Education is appointed by the Governor with the advice and consent of the Senate, and serves at the pleasure of the Governor.

II. STATE OVERSIGHT—EFFICACY:

36.75/100 POINTS

A. DOES THE STATE REQUIRE ONSITE REVIEW OF PRIVATE POSTSECONDARY INSTITUTIONS?

1/10 POINTS

Mandatory onsite reviews			Discretionary	None
Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct onsite reviews	No review specified
10 Points	8 Points	5 Points	3 Points	0 1 Point

Explanation:

With regard to schools that conduct programs or courses leading to a degree (defined as an award given by a school for completion of a program or course which is designated by the term degree, associate, bachelor, baccalaureate, masters, or doctorate, or any other award which the Office shall include by rule), Minnesota law neither mandates such inspections nor provides any guidance on how often inspections should be performed. However, Minn. Stat. §§ 136A.23, 136A.64, 136A.65, and 136A.69 do authorize the Office to conduct inspections of private postsecondary institutions that are registered as private institutions under Minn. Stat. §§ 136A.61–136A.71.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.30 authorizes (but does not mandate) the Office or a delegate to inspect the instructional books and records, classrooms, dormitories, tools, equipment and classes of any school or applicant for license pursuant to Minn. Stat. § 141.20 et seq. at any reasonable time.

B. DOES THE STATE REQUIRE UNANNOUNCED INSPECTIONS FOR ONSITE REVIEWS?

0/5 POINTS

Required unannounced visits	Discretion to do unannounced visits	No indication
5 Points	3 Points	0 Points

Explanation:

Minnesota law neither mandates nor expressly provides the Office with discretion to conduct announced visits to private postsecondary institutions.

C. DOES THE STATE REQUIRE REGULAR REVIEWS OF PRIVATE POSTSECONDARY APPROVAL TO OPERATE?

17/20 POINTS

Mandatory			Discretionary	None
Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct reviews	No review specified
20 17 Points	15 Points	1 Point	10 Points	0 Points

Explanation:

Minn. Stat. § 136A.63 requires all schools located within Minnesota and all schools located outside Minnesota which offer degree programs or courses within Minnesota to register annually with the Office.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.25, subd. 8 provides that licenses expire after one year (requiring annual renewal), except as provided in Minn. Stat. § 141.251, which authorizes the Office to adopt rules permitting two levels of renewal based on the record of the school. Minn. Stat. § 141.251 provides that “[a] school that has demonstrated the quality of its program and operation through longevity and performance in the state may renew its license based on a relaxed standard of scrutiny. A school that has been in operation in Minnesota for a limited period of time or that has not performed adequately on performance indicators shall renew its license based on a strict standard of scrutiny.” Although the Office has not adopted rules explicitly addressing the renewal process, Minn. R. 4880.2500, subp. 3, provides that category A schools “are required to submit a full licensure report every year”, while category B schools “are required to submit a full relicensure report once every four years” and in the interim years are exempt from specified reporting requirements. Although Minn. R. 4880.2500, subp. 2, requires that schools licensed under Minnesota Statutes, chapter 141, must qualify as either a category A or category B school, no Minnesota statute or regulation defines the distinction or specifies how schools are to be classified as category A or B.

Because some schools are subject to an annual renewal process, but the renewal cycle for other schools is not expressly set forth by Minnesota statute or regulation, 3 points are deducted from the score.

D. DO THE CRITERIA FOR RENEWAL OF AUTHORIZATION MANDATE A REVIEW OF FACTORS ESSENTIAL TO ACADEMIC AND ETHICAL INTEGRITY?

11.25/20 POINTS*

**points for the state’s two types of institutions have been averaged to calculate the above score*

	8 of 8	7 of 8	6 of 8	5 of 8	4 of 8	3 of 8	2 of 8	1 of 8	0 of 8
Degree-granting	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	5 Points	2.5 Points	0 Points
Non-degree-granting	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	5 Points	2.5 Points	0 Points

Element	Degree-granting	Non-degree-granting
Admission requirements	M	
Graduation requirements	M	M
Placement rate		M
Completion rate (or graduation rate)		M
Advertising practices	M	M
Cohort default rate		M
Accreditation status		M
Financial aid policies		

M=Mandatory D=Discretionary

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. § 136A.64 mandates that schools provide the Office with, among other things, “the school’s policies about student admission, evaluation, suspension, and dismissal” (Subd. 1(6)(xi)); “all requirements for satisfactory completion of courses, programs, and degrees” (Subd. 1(6)(vi)); and “all current promotional and recruitment materials and advertisements” (Subd. 1(5)). However, Minnesota law does not require or request schools to submit information pertaining to placement rates, graduation rates, cohort default rates, accreditation status, or financial aid policies. Although Minn. Stat. § 136A.64, subd. 2 references “accreditation reports” that a school might provide to the Office, and Minn. Stat. § 136A.65, subd. 1a provides that a school must not be registered or authorized to offer any degree at any level unless the school is accredited by an agency recognized by the United States Department of Education for purposes of eligibility to participate in Title IV federal financial aid programs, Minnesota law neither mandates nor requests schools to provide information about an institution’s accreditation status.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.251, subd. 2, and Minn. R. 4880.2500, subp. 2(b) require that a school classified as category B must verify that it has achieved full institutional reaccreditation with an accreditation agency recognized by the U.S. Department of Education; the school must have a cohort default rate equal to or less than an average of 15% for the previous three consecutive years, as calculated by the U.S. Department of Education; the passing rate of the school's graduates on licensure or other certification examinations must be equal to or greater than 85% of the national or state passing rate, based on a minimum of ten graduates sitting for the examination in any one year; the school must have a placement rate equal to or greater than 70%, based on a minimum of ten graduates from the school in any one year; the school's withdrawal rate for the three most recent consecutive years, as established by the Code of Federal Regulations, title 34, section 668.16, paragraph (1), must not exceed 33%; the school must receive a satisfactory audit by the Office for the three most recent consecutive years. The school must provide evidence that it has adhered to: the refund policy as specified in Minnesota Statutes, section 141.271, or that any discrepancies noted by each audit report have been corrected within 90 days of issuance of the report to the school; and the requirement for student records pursuant to Minnesota Statutes, chapter 141, including acceptable academic transcripts and student financial account records, or that any discrepancies noted in an audit report have been corrected within 90 days of issuance of the report to the school; the school must provide evidence that there has been no determination of limitation, suspension, or termination by the U.S. Department of Education during the past five years; and the school must verify annually there have been no unresolved student complaints related to Minnesota Statutes, chapter 141, or its attendant rules during the preceding 12 months immediately prior to the relicensure notification from the office. Additionally, Minn. Stat. § 141.25, subd. 3, requires that the school submit copies of all media advertising and promotional literature and brochures or electronic display currently used or reasonably expected to be used by the school, Minn. R. 4880.1700, subp. 4, requires schools to provide, among other things, information on

graduation/completion requirements and the number of graduates expected annually, and Minn. R. 4880.2200, subp. 2, requires schools to provide a certified copy of the school's placement record of students who graduated in the year prior to the year for which the license is to be issued.

E. DOES THE STATE'S OVERSIGHT DISTINGUISH BETWEEN FOR-PROFIT AND NON-PROFIT EDUCATIONAL INSTITUTIONS?

0/15 POINTS

Yes, strongly distinguished	Yes, moderately distinguished	Yes, slightly distinguished	Not distinguished
15 Points	10 Points	5 Points	0 Points

Explanation:

Minnesota law makes no discernable distinction between for-profit and non-profit educational institutions with regard to their oversight or regulation.

F. DOES THE STATE REQUIRE INCREASED OVERSIGHT/SCRUTINY OF PRIVATE POSTSECONDARY INSTITUTIONS BASED ON POOR PERFORMANCE?

7.5/10 POINTS

Yes, mandatory	Yes, mandatory but limited	Yes, discretionary	Yes, discretionary but limited	No
10 Points	7.5 Points	5 Points	2.5 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, there are some elements of increased oversight/scrutiny of private postsecondary institutions based on poor performance. For example, Minn. Stat. § 136A.675 requires the Office to develop a set of financial and programmatic evaluation metrics to aid in the detection of the failure or potential failure of a school to meet the standards established under sections 136A.61 to 136A.71. These metrics shall include indicators of financial stability, changes in the senior management or the financial aid and senior administrative staff of an institution, changes in enrollment, changes in program offerings, and changes in faculty staffing patterns. The development of financial standards shall use industry standards as benchmarks. The development of the nonfinancial standards shall include a measure of trends and dramatic changes in trends or practice. The agency must specify the metrics and standards for each area and provide a copy to each registered institution and post them on the agency Web site. The agency shall use regularly reported data submitted to the federal government or other regulatory or accreditation agencies wherever possible. The agency may require more frequent data reporting by an institution to ascertain whether the standards are being met.

Further, Minn. Stat. § 136A.646 provides that in the event any registered institution is notified by the U.S. Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), the institution shall provide a surety bond conditioned upon the faithful performance of all contracts and agreements with students in a sum equal to

the "letter of credit" required by the U.S. Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor more than \$250,000; in lieu of a bond, the applicant may deposit with the commissioner of management and budget a sum equal to the amount of the required surety bond in cash, or securities, as may be legally purchased by savings banks or for trust funds, in an aggregate market value equal to the amount of the required surety bond.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.251, subd. 2, provides that Office shall adopt rules establishing the conditions for renewal of a license. The conditions shall permit two levels of renewal based on the record of the school. A school that has demonstrated the quality of its program and operation through longevity and performance in the state may renew its license based on a relaxed standard of scrutiny. A school that has been in operation in Minnesota for a limited period of time or that has not performed adequately on performance indicators shall renew its license based on a strict standard of scrutiny. The Office shall specify minimum longevity standards and performance indicators that must be met before a school may be permitted to operate under the relaxed standard of scrutiny. The performance indicators used in this determination shall include, but not be limited to: regional or national accreditation, loan default rates, placement rate of graduates, student withdrawal rates, audit results, student complaints, and school status with the United States Department of Education. Schools that meet the requirements established in rule shall be required to submit a full relicensure report once every four years, and in the interim years will be exempt from specified requirements.

G. DOES STATE LAW INCLUDE ANY SPECIAL PROTECTIONS FOR VETERANS WHO ATTEND PRIVATE POSTSECONDARY INSTITUTIONS?

0/20 POINTS

Yes	No
20 Points	0 Points

Explanation:

Minnesota law does not include any special protections for veterans who attend private postsecondary institutions.

III. STATE OVERSIGHT—SCOPE AND INCLUSION:

75/100 POINTS

A. ARE EXEMPTIONS TO STATE OVERSIGHT COVERAGE LIMITED?

75/100 POINTS

No exemptions	Few exemptions	Moderate exemptions	Broad exemptions
100 Points	75 Points	50 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. §§ 136A.653, 136A.657, and 136A.658 list categories of exemptions which are common sense and very narrowly tailored to specific purposes.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. §§ 141.35 and 141.37 list categories of exemptions which are common sense and very narrowly tailored to specific purposes.

IV. DISCLOSURE REQUIREMENTS:

15/100 POINTS

A. ARE INSTITUTIONS REQUIRED TO DISCLOSE INSTITUTIONAL PERFORMANCE MEASURES TO POTENTIAL STUDENTS?

0/20 POINTS

Yes, mandatory	Yes, discretionary	None
Fact sheet or equivalent required to be given to students	Fact sheet or equivalent given to students upon request	No fact sheet required
20 Points	10 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minnesota law does not require private postsecondary schools to disclose institutional performance measures to potential students (although Minn. Stat. 136A.103 requires institution not participating in the federal Pell Grant program to disclose that information to students who enroll, and Minn. Stat. § 136A.67 requires registered schools to disclose in catalogues, applications, and enrollment materials that the school is registered with the Office, that registration is not an endorsement of the institution, and that credits earned at the institution may not transfer to all other institutions).

With regard to schools that conduct programs at less than an associate degree level, Minnesota law does not require private postsecondary schools to disclose institutional performance measures to potential students (although Minn. Stat. 141.28, subd. 5 provides that a school, agent, or solicitor shall not enroll a prospective student when it is obvious that the prospective student is unlikely to successfully complete a program or is unlikely to qualify for employment in the vocation or field for which the preparation is designed unless this fact is affirmatively disclosed to the prospective student, and Minn. Stat. § 141.28, subd. 1, requires licensed schools to disclose in catalogues, applications, and enrollment materials that the school is licensed with the Office, that licensure is not an endorsement of the institution, and that credits earned at the institution may not transfer to all other institutions).

B. WHICH INSTITUTIONAL PERFORMANCE DISCLOSURES ARE REQUIRED TO BE GIVEN TO STUDENTS PRIOR TO ENROLLMENT?

0/60 POINTS

Disclosures	Mandatory	Discretionary	Not specified
Cohort default rate (CDR)	10 Points	5 Points	0 Points
Graduation / completion rates	10 Points	5 Points	0 Points
Placement rates	10 Points	5 Points	0 Points
Wage information	10 Points	5 Points	0 Points
License exam passage rates	10 Points	5 Points	0 Points
Methods & sources used to calculate	10 Points	5 Points	0 Points

Explanation:

Minnesota law does not require private postsecondary schools to disclose institutional performance measures to students prior to enrollment.

C. DOES THE STATE REQUIRE SCHOOLS TO DISCLOSE ELEMENTS ESSENTIAL TO STUDENT PROTECTION PRIOR TO ENROLLMENT OR IN THE ENROLLMENT CONTRACT?

15/20 POINTS

Element description	Mandatory	Discretionary	Not specified
Total cost of program	5 Points	2.5 Points	0 Points
Refund information	5 Points	2.5 Points	0 Points
Transferability of credits	5 Points	2.5 Points	0 Points
Length of program	5 Points	2.5 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. § 136A.65, subd. 4(a)(9) requires schools to provide information to students and prospective students (although not necessarily as part of the contract) concerning comprehensive and accurate policies relating to student admission, evaluation, suspension, and dismissal; clear and accurate policies relating to granting credit for prior education, training, and experience and for courses offered by the school; current schedules of fees, charges for tuition, required supplies, student activities, housing, and all other standard charges; policies regarding refunds and adjustments for withdrawal or modification of enrollment status; and procedures and standards used for selection of recipients and the terms of payment and repayment for any financial aid program.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.265, subd. 2, requires contracts to include the name and address of the school, clearly stated; a clear and conspicuous disclosure that the agreement is a legally binding instrument upon written acceptance of the student by the school unless canceled under section 141.271; the school's cancellation and refund policy that shall be clearly and conspicuously entitled "Buyer's Right to Cancel"; a clear statement of total cost of the program including tuition and all other charges; the name and description of the program, including the number of hours or credits of classroom instruction, or distance instruction, that shall be included; and a clear and conspicuous explanation of the form and means of notice the student should use in the event the student elects to cancel the contract or sale, the effective date of cancellation, and the name and address of the seller to which the notice should be sent or delivered. The contract or enrollment agreement must not include a wage assignment provision or a confession of judgment clause.

V. REGULATION OF RECRUITING PRACTICES:

75/100 POINTS

A. HAS THE STATE PUT INTO LAW A LIST OF PROHIBITED ACTS REGARDING ADVERTISING AND RECRUITING?

75/100 POINTS*

**points for the state's two types of institutions have been averaged to calculate the above score*

	Yes, strong regulation	Yes, moderate regulation	Yes, weak regulation	No list of prohibited acts
Degree-granting	100 Points	75 Points	50 Points	0 Points
Non-degree-granting	100 Points	75 Points	50 Points	0 Points

PROHIBITED ACTS

Included in list of prohibited acts	Degree-granting	Non-degree-granting
Deceptive or misleading representations using the word “college” or “university”	X	X
Misleading institution affiliations (e.g., military, public institution, businesses)		
Promise Employment	X	X
Compensation for enrollment		
Compensation or “bounty” to recruiters		
Deception (Broad prohibition)	X	X
Misrepresentation (Broad Prohibition)	X	X
Deceptive or misleading representations re: accreditation	X	X

1-3=Weak; 3.5-6=Moderate; 6.5-8=Strong

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. § 136A.65, subd. 4(a)(7) requires that a school applying to be registered by the Office must use only publications and advertisements which are truthful and do not give any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school, its personnel, programs, services, or occupational opportunities for its graduates for promotion and student recruitment; Minn. Stat. § 136A.65, subd. 1, provides that no school subject to registration may use the name "college" or "university" in its name without approval by the Office; Minn. Stat. § 136A.65, subd. 1a provides that a school must not be registered or authorized to offer any degree at any level unless the school is accredited by an agency recognized by the U.S. Department of Education for purposes of eligibility to participate in Title IV federal financial aid programs; and Minn. Stat. § 136A.67 provides that no school and none of its officials or employees shall advertise or represent in any manner that such school is approved or accredited by the Office or the state of Minnesota.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.28 provides that no school organized after November 15, 1969, shall apply to itself either as a part of its name or in any other manner the designation of "college" or "university" (although operating schools now using such designation may continue use thereof); a school, agent, or solicitor shall not make, or cause to be made, any statement or representation, oral, written or visual, in connection with the offering or publicizing of a program, if the school, agent, or solicitor knows or reasonably should have known the statement or representation to be false, fraudulent, deceptive, substantially inaccurate, or misleading; a school, agent, or solicitor shall not enroll a prospective student when it is obvious that the prospective student is unlikely to successfully complete a program or is unlikely to qualify for employment in the vocation or field for which the preparation is designed unless this fact is affirmatively disclosed to the prospective student; and that schools, agents of schools, and solicitors may not advertise or represent in writing or orally that the school is approved or accredited by the state of Minnesota.

VI. COMPLAINT PROCESS AND RELIEF FOR STUDENTS:

48/100 POINTS

A. DOES THE STATE REQUIRE A BOND OR FUND
AS A CONDITION OF AUTHORIZATION?

20/20 POINTS

Yes	No
20 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. § 136A.646 provides that in the event any registered institution is notified by the U.S. Department of Education that it has fallen below minimum financial standards and that its continued participation in Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), the institution shall provide a surety bond conditioned upon the faithful performance of all contracts and agreements with students in a sum equal to the "letter of credit" required by the United States Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor more than \$250,000.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.25 provides that no license shall be issued to any school which maintains, conducts, solicits for, or advertises within the state of Minnesota any program, unless the applicant files with the office a continuous corporate surety bond written by a company authorized to do business in Minnesota conditioned upon the faithful performance of all contracts and agreements with students made by the applicant.

B. DOES THE STATE REQUIRE A REFUND OF TUITION IF A STUDENT
ENROLLS AS THE RESULT OF MISREPRESENTATION?

10/20 POINTS

Yes, full refund	Yes, partial refund	No refund required
20 10 Points	10 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minnesota law does not expressly mandate the refund of tuition if a student enrolls as the result of misrepresentation.

With regard to schools that conduct programs at less than an associate degree level, if the basis of the misrepresentation was that the school was not duly licensed by the Office, Minn. Stat. § 141.25 requires the school to refund tuition, fees, and other charges received from a student or on behalf of a student within 30 days of receiving written notification and demand for refund from the Office. However, Minnesota law does not expressly mandate the refund of tuition if a student enrolls as the result of any other type of misrepresentation.

Because Minnesota law requires a refund of tuition only under limited circumstances, ten points are deducted from the score above.

C. DOES THE STATE REQUIRE INSTITUTIONS TO REFUND TUITION IN THE EVENT OF INSOLVENCY?

10/20 POINTS

Yes, full refund	Yes, partial refund	Yes, refund in limited circumstances	No refund required
20 10 Points	15 Points	10 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minnesota law does not expressly mandate the refund of tuition in the event of insolvency. Although Minn. Stat. § 136A.65, subd. 5, requires a school to have financial resources sufficient to meet the school's financial obligations, including refunding tuition and other charges consistent with its stated policy if the institution is dissolved, it does not expressly mandate that such refunds be given. However, Minn. Stat. § 136A.645 does provide that when a school decides to cease postsecondary education operations, it must cooperate with the office in assisting students to find alternative means to complete their studies with a minimum of disruption.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.271, subd. 14, provides that in the event a school closes for any reason during a term and interrupts and terminates classes during that term, all tuition for the term shall be refunded to the students or the appropriate state or federal agency or private lender that provided any funding for the term and any outstanding obligation of the student for the term is canceled.

Because Minnesota law requires a refund of tuition only with regard to schools that conduct programs at less than an associate degree level, ten points are deducted from the score above.

D. DOES THE STATE ALLOW STUDENTS AMPLE TIME TO MAKE A COMPLAINT?

1/10 POINTS

2 years or more (or no deadline)	1-2 years	Under 1 year	Not applicable
10 Points	5 Points	1 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree and schools that conduct programs at less than an associate degree level, Minnesota law does not expressly state the amount of time within which a student must file a complaint against the school.

The website of the Minnesota Office of Higher Education indicates that if, after exhausting internal grievance procedures, the school or college has not responded to a student's satisfaction, the student can file a complaint with the Office. Complaints must be submitted to the Office within six months of the alleged violation or within six months from the date of the discovery of the alleged violation.

E. DOES THE STATE REQUIRE INSTITUTIONS TO DISCLOSE INFORMATION ABOUT FILING A COMPLAINT WITH THE STATE OVERSIGHT BODY?

0/20 POINTS

Medium	Yes	Discretionary	No
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 Points	0 Points
Enrollment contract	5 Points	2.5 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minnesota law does not expressly require institutions to disclose information about filing a complaint with the state oversight body.

With regard to schools that conduct programs at less than an associate degree level, Minnesota law does not expressly require institutions to disclose information about filing a complaint with the state oversight body. Although Minn. Stat. § 141.25, subd. 9(14)-(15) require that before a license is issued to a school, the school shall furnish to the Office a catalog, brochure, or electronic display including, among other things, a procedure for investigating and resolving student complaints and the name and address of the Minnesota Office of Higher Education, the law does not expressly require that the school provide information about filing a complaint with the Office.

F. IS THE COMPLAINT PROCESS READILY ACCESSIBLE AND AVAILABLE ON THE STATE OVERSIGHT BODY WEBSITE?

7/10 POINTS

Yes, with address	Yes, with phone #	Yes, with email address	Yes, with electronic form	No
2 Points	2 Points	3 Points	3 Points	0 Points

Explanation:

The website of the Minnesota Office of Higher Education provides information about filing complaints about private colleges and career schools, and provides an address, phone number, and email address but no electronic form.

VII. ENFORCEMENT: 35/100 POINTS

A. IS THERE LOSS OF STATE AID FOR SCHOOLS THAT REPEATEDLY PRODUCE SUBSTANDARD GRADUATION RATES, JOB PLACEMENT RATES, AND/OR COHORT DEFAULT RATES?

15/30 POINTS

Yes, required	Yes, required but limited	Yes, discretionary	Yes, discretionary but limited	No
30 15 Points	20 Points	15 Points	5 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. § 136A.103 provides that in order to be eligible for state student aid under chapter 136A and sections 197.791 and 299A.45, the institution must, among other things, maintain academic standards substantially equivalent to those of comparable institutions operated in Minnesota.

With regard to schools that conduct programs at less than an associate degree level, Minnesota law does not expressly make state aid eligibility contingent on the requirement that an institution maintain academic standards equivalent to those of comparable institutions operated in Minnesota.

Because Minnesota law expressly ties state aid eligibility to the maintenance of academic standards only to schools that conduct programs or courses leading to a degree, and not to schools that conduct programs at less than an associate level, 15 points have been deducted from possible full score of 30.

B. DOES STATE LAW EXPLICITLY AUTHORIZE A PRIVATE RIGHT OF ACTION FOR STUDENTS AGAINST INSTITUTIONS THAT HAVE VIOLATED THE LAWS AND REGULATIONS IN PLACE TO GOVERN THEM?

0/30 POINTS

Yes	Limited Circumstances	No
30 Points	15 Points	0 Points

Explanation:

Minnesota law does not explicitly allow students a private right to faction against private postsecondary institutions that have violated the laws or regulations in place to govern them.

C. DOES STATE LAW EXPLICITLY ALLOW ATTORNEY FEE AWARDS FOR STUDENTS WHO PREVAIL IN LITIGATION AGAINST PRIVATE FOR-PROFIT POSTSECONDARY INSTITUTIONS?

0/20 POINTS

Yes	Limited	No
20 Points	15 Points	0 Points

Explanation:

Minnesota law does not explicitly allow attorney fee awards for students who prevail in litigation against private for-profit postsecondary institutions.

D. DOES STATE LAW EXPLICITLY AUTHORIZE ATTORNEY GENERAL INVOLVEMENT?

20/20 POINTS

Yes	Limited circumstances	No
20 Points	10 Points	0 Points

Explanation:

With regard to schools that conduct programs or courses leading to a degree, Minn. Stat. § 136A.71

provides that upon application of the Attorney General the district courts shall have jurisdiction to enjoin any violations of sections 136A.61 to 136A.71.

With regard to schools that conduct programs at less than an associate degree level, Minn. Stat. § 141.31 provides that upon application of the Attorney General the district courts shall have jurisdiction to enjoin any violation of sections 141.21 to 141.35.

BONUS POINTS:

Minnesota does not receive any bonus points.



ILLUMINATING INFORMATION



RECIPROCITY AGREEMENTS

Minnesota is a member of the State Authorization Reciprocity Agreements (SARA).

LITIGATION, INVESTIGATIONS, AND ACTIONS INVOLVING PRIVATE FOR-PROFIT EDUCATIONAL INSTITUTIONS IN MINNESOTA

For more information about pending and recent federal and state government investigations and actions regarding for-profit colleges see David Halperin's compilation at <http://www.republicreport.org/2014/law-enforcement-for-profit-colleges/#sthash.1vc4HmPw.dpuf>.