

Barbara Wingel: All right. Again, welcome to Session 40, Schools Planning to Add a Program or Location. My name is Barbara Wingel with the U.S. Department of Education, and this is Tracy Nave, with the U.S. Department of Education. We are both institutional improvement specialists, which we call IISs for short, for the New York-Boston School Participation Team. I am physically located in the New York office, and I've been with the department it will be almost 21 years, I think, in a couple weeks, and Tracy is located in the Boston office, and she's with the department for 18 years. Right, Tracy, 18? Okay. We service schools that are located in the New England, New Jersey, New York and Puerto Rico area. Just curious how many people are in our regional area? Good. Okay. Great, and, obviously, people who are in other regions know where your school participation team is. If not, we have a slide at the end that'll tell you who to contact and where to contact.

As you know, we're timed on what we need to do. We need to do our session within a certain amount of time, so I am asking you to please hold your questions until the end. It's easier this way because I'll be getting a sign that says five minutes and stop, so hopefully we don't need to get to that, and then we'll have maybe some extra time for – we're gonna have probably at least 15 minutes for questions, hopefully a little bit more. Okay? Thank you. All right. Just to let you know what the session will cover, it's going to cover when a school must request from the department approval to add any programs and locations. We will also discuss other changes and updates a school must report to the department, and, finally, how to report these changes and updates using the E-App. There are many eligibility documents that are a part of this whole process, and the important application that we have is called the Electronic Application for Approval to Participate in the Federal Student Financial Aid Programs, what we call the E-App, for short. The other item that we have is the Program Participation Agreement, and that is what we call our PPA, which I'm sure most of you are familiar with, and, finally, we have our Eligibility and Certification Approval Report, and that is our ECAR. Again, we use that for short.

Okay. There are many eligibility references that are involved with the eligibility application and process. To give you an idea of some of them, but most of them you will find in the Code of Regulations, your CFR, and the first one is 668.14, which is your Program Participation Agreement, or your PPA, and that explains, obviously, what the PPA is, what's involved in a PPA, and how important the PPA is. 600.10 is the Extent of Eligibility, and that depends if you're a provisional or if you're up for full re-

certification, and it just gives you an idea of the extent of the eligibility of your Title IV participation. The next is 600.20, and that is your Application Procedures, and it's kind of some of the things that we're going over today, and that's what to do and how to do it, and when to do it. 600.21 is your Updating Application Information. Again, these are some items that we'll be going over. It lets you know when you have to apply, when you may have to wait for approval. 600.31 is Change in Ownership. If you come into the situation where there is a change of ownership at your institution, it'll give you the information and provide what you need to report to the department, and when you need to report to the department.

600.32 is the Additional Locations section, and that we will be going over some of that, also, and that again will tell you when and how, and if you may need to wait for the department's approval before proceeding, and 668.25 is Third-Party Servicer Contracts. If you don't have a third-party servicer, you don't need to refer to this. If you do, it gives you an idea of what's in the contract, what you need to talk to your third-party servicer about, what they need to do for you, and what written information you may need. And finally, a lot of this, obviously, we all know regulations, sometimes you read them and you're really not sure what they're saying, so we always have the FSA Handbook, which usually helps us out a lot, and we do have, for this particular eligibility references, you would look in Volume 2, Chapter 5, and it would discuss all of this information.

Okay. Now, to begin with, on Screen 5, we're discussing adding programs. Now, your ECAR, as we talked about the ECAR before, it lists the programs that your institution is currently eligible for. Those programs usually are when you first initially applied. Those might be the programs that we approved, or, along the way, programs that you requested approval, but just, again, to let you know that you are not automatically eligible for programs. _____, "Well, I'm an eligible institution. I have programs, so I must be eligible." Not necessarily, okay? So, there are cases where with these new programs you need to report to us, and in some cases you have to wait for _____ approval on those programs.

Okay. When a school adds a program, the school can sometimes _____ the determination of eligibility by the school, you need to determine first what you're going to do with this. We have two cases. **In one** _____ school may determine your eligibility without prior ED approval, and the first is when you add a program

that leads to an associate, bachelor's, professional, or graduate degree, and the school has already been approved to offer programs at that level. So, if you have an associate's degree, if you're approved for an associate's degree, even if you only have one program, and you decide you want to add another program, as long as your **accrediting and licensing** body has approved it, you do not have to report that to us, okay? The only thing we're interested in is the level of program that you offer. The same thing goes for bachelor's degree, if you have bachelor's degree programs. No matter how many programs you may add, we don't need to know, and graduate programs, also, and professional. But keep in mind if you're not eligible or we did not approve you for that level, you must apply to ED. So, again, you only have associate's degree programs, or you may only have non-degree programs and you want to apply for that, that is something you need to report to ED and you would need to wait for approval. Again, you have to be approved by your accrediting and licensing body.

And the other condition, the second case is unless the school is provisional, and, in many cases, you'll see if the school is provisionally certified, there's a lot of things where you pretty much have to wait for our approval before moving forward. So, in this second case, unless your school is provisionally certified, you can add programs that are at least 10 weeks of instructional time, which is 8 semester hours, 12 quarter hours, or 600 clock hours, and those programs must prepare students for gainful employment in the same or related recognized occupation as an educational program that the department already has designated as an eligible program at the school. What we usually say, we call it within the scope. You might hear the department use that, and I think, also, a lot of accrediting bodies use that language.

So, just for an example, if you have a non-degree program, a medical secretary program, and you want to add medical billing, well that's pretty much in the same scope, and probably your accrediting body is also gonna tell you that. You probably need to, obviously, let them know about it, I don't know what their process is, but our process is as long as you're not provisional, you can move forward with this program because it's within the same scope of the program you've been already approved for. But, of course, the opposite goes if you have a medical secretary program and you decide you want to add a computer technology program, a cosmetology program. That's not within the scope. I mean that's pretty different. So, once again, you would have to then request approval from the department.

Okay, continuing on Screen 9. Of course, it goes without saying, _____ usual, if a school can determine the program eligibility, _____ once again, we always expect and require that the state and your accrediting agency approvals are obtained first, because if you submit any of these programs for us for approval and you do not submit the approvals from your accrediting and licensing body, we'll either call you and say, "We don't have them," or if you say you don't have them, we're gonna say, "Well, take the application back because there's nothing we can do with it." It has to be approved by those bodies first. But, if the case is that you do have those approvals, and what you can do is we call self-certify the program on your next re-certification, but we'll probably ask you in your next re-certification at least to see those approvals to make sure that they were approved when you said that they were. And, to keep in mind that if, for some reason, when we do ask you for it or you get a program review, or some reason, or some way we found out that that program should have not been approved, then you are responsible for all the FSA funds, so make sure you are approved. If you're not sure, please call your case team. We always say your School Participation Team is the key. Call them and say, "I'm not sure. Do I need to do this, or what do I need to do?"

Next slide. Any programs that ED is requiring the approval. ED approval is needed for programs that are under 600 clock hours. Just keep in mind it has to be at least 300 clock hours; under 300 clock hours, not an eligible program for Title IV. So, it has to be over 300 and at least 600 clock hours, and it must be in existence for one year and have a 70 percent completion and placement rate, and these are what we call short-term programs, and the school must apply for and wait for written approval from ED before awarding FSA funds to the students in that particular program. Okay, Screen 11. Okay, now to approve these particular programs that we're talking about, the normal process is you must submit an E-App and copies of the accrediting agency, once again, and state approvals along with that. What the department will do, depending upon your office, everybody has a little different process but we all have to do the same thing, we're going to evaluate that program, and we're gonna evaluate _____ make sure we have approvals. We're also going to look at the school itself and say, "Are there any issues, any problems? Are they provisional?"

So, we're gonna review that first and make sure, and evaluate to see if it's okay for us to approve it. If it's approved, what we would do then is send a revised ECAR, that all-important ECAR,

and it will have on that ECAR, so make sure when you get it to look at it, it should have on that ECAR that now approved program, along with maybe other programs that you may have approved. Also, we're going to send an approval letter, because the letter will say that we approved the program and give you the effective date of that approval, and that will be sent to the school. And then, once you receive it, you have to wait until you receive that – the approval letter and the revised ECAR – then you may disburse, after you receive that letter, okay? So, even though you might have talked to somebody at the School Participation _____ said, "Yeah, we'll be sending that out probably next week," which they probably will, but you need to wait, okay? _____ say, "Well, it's next week. I could start disbursing." No, you need to wait until you have the actual approval letter.

Okay. **We're** gonna talk about some limitations. For schools that are subject to the two-year rule, and those are usually during your initial period of participation, that we require a two-year wait, just to let you know, for those new schools, ED will not typically approve those programs that **extend** eligibility beyond the ECAR. So, once you get your initial ECAR, usually that's it for after your initial period. So, pretty much don't submit an application because we'll just have to probably send it back to you or say, "We can't look at this application." If you're not sure, give us a call. Say, "I want to apply. Can I? I'm not sure. Am I eligible at this point?" and we'll let you know. And, of course, keep in mind that you may not award FSA funds for a program that is not included in this approval document, the ECAR. So, you think, "Well, let's see. I sent in this program, and I haven't heard anything. It's been a week or so, and I guess everything is okay, so I'm gonna start disbursing." Okay? Please don't do that. It's very important that you make sure that what is on your ECAR that we approved you for is the programs that you are teaching and you are disbursing aid to, and sometimes, yes, errors occur.

I have run into unfortunate situations where there was an error on the ECAR, but the school didn't notice that there was an error. But I noticed it when I made a visit and said, "You're not approved for this program," and they're like, "Yes, we are." "It's not on your ECAR." We did find out there was an error, but then there was cases where I went to the school and the same thing happened. I'm like, "You're not approved for this program," and they go, "Oh, yeah, we are. We have approval." I went back and found out, "No, you were never officially approved. You may think you were approved." And now, unfortunately, guess what? All those students in that particular program, not eligible, so the institution is

responsible to pay that money back. So, please be careful.

Okay, Slide 13, Adding Locations. Okay. Pretty much some things are the same as adding programs, such as your ECAR list, your locations that you're eligible for. Again, just because you're an eligible institution does not automatically mean you could just add locations all over the place, "Well, I'm eligible, so I could open up this location, that location. It doesn't really matter." And also extensions, be careful with extensions, because I believe some of the accrediting bodies and licensing bodies, as long as it's within some parameter, they call them extensions and you don't need to get approval from them. You do from us, so please be careful. Also, if a program is more than 50 percent offered at a new location, that's when you must notify us, because there are several cases where you're only teaching maybe a course or two in a particular program at another location.

We don't require you to report that to us, and that does not have to be reported on your **eligible cert** application, and that's not required to be on your ECAR, either, but if it's more than 50 percent, it's a must, okay? I have people call me, but then you have to really – you may have to find out from the academic dean, or someone, "Is it more than 50 percent of the program?" That's what you need to find – I mean if it's close and you're not sure, it really doesn't hurt to put it in the application, it really doesn't, and do it. I recommend that you put that in the application if you're sure it's close to the more than 50 percent. If it's way under, don't, because when we find out later on, we'll probably just tell you, "Could you remove it?" because you don't need to have that on the application. Okay? Yeah?

Audience: If it's a blend of online courses and brick-and-mortar, does it have to be **still applied to** that 50 percent, **because** the face-to-face, this additional locations **receiving** is probably less than 10 percent of the program but they're also taking online courses –

Barbara Wingel: Right. No, because it's not at another location.

Audience: All right.

Barbara Wingel: If it's at a different location. Okay. So, again, if it's less, it's not required. In some cases, the school must wait for ED approval for these particular locations. Okay, Reporting a New Location. The school, again, must not disburse FSA funds at a new location before the location is at least reported to ED via the E-App. You gotta at least report it to us on the E-App, and, again, supporting documentation must be submitted, which is your state legal

authorization, and your accrediting agency approvals. Okay? That goes without saying. We try to drill in everybody's head, "We need the accrediting, we need your licensing," because we rely on the state and accrediting bodies to make the right decision on these programs and locations, so if you have an approval from them, in most cases we would approve it based on that they approved the location or the program, so please make sure you get those to us.

Okay, Applying for Approval of the New Location. You must wait for approval before disbursing FSA funds if the institution _____ provisionally. Like I said before, pretty much, if you're provisional, we expect you to wait. You really can't move forward. That's one of the provisions of the provisionally PPA, that you must wait. Also, if you're on cash monitoring or reimbursement, you must wait, and the other item is if the school has acquired the assets of another school that provided educational programs at that location during the preceding year, and the other school participated in the FSA programs during that year. So, it's acquiring the assets of another institution. Okay, Screen 16. Also, you must wait for approval – we're continuing on – if you're subject to a loss of eligibility under 668.188, and that's your default rates, or if you're required by ED to report and wait. There are cases that the department will send you a letter based on various reasons and various things, when we say to you, "At this time, we feel that if you're going to add a location, we need to see it first and approve it first." Okay? So, if you get a letter like that from us, that is when you'll have to wait. It doesn't happen that often, but it does happen. So, just make sure if you do get that letter that you wait.

Eligibility of the Additional Location. Location is not required to satisfy the two-year rule unless the following occurs: The location was a facility of another school that has closed; the applicant school acquired, either directly or indirectly, from the closed school the assets at that location; and the school acquired is not making payments in accordance with the repayment agreement with ED. So, the two-year rule doesn't apply unless those following items occur, and of course there's always exceptions to some of the rules. The case with the additional location satisfying the two-year rule, you can also, if the school who acquires another school agrees with the following: That you be liable for all the improperly **expended** or unspent FSA funds; if you're liable for all unpaid refunds owed to FSA recipients; and to abide by the policy of the closed school regarding refunds of institutional charges to students.

And that brings us to teach-out, because we do have some cases where that occurs, where you have, unfortunately, schools that close and you have students that need to complete their program, and you happen to be in the vicinity and would like to help these students. So, what you may like to do is conduct a teach-out for those students because you have a similar program. We think that's great, you know, because we hate to see students just dropped off and they don't know what to do. The only thing is there's certain things you need to do, and the first thing is always get an approval from your accrediting agency. We require the accrediting agency to approve it. So, if you think you may do a teach-out, you're not 100 percent sure but you think you're gonna do it, at least get started with your accrediting agency. I worked with a couple of the accrediting agencies, and most of them work really quick to get this done because they want the students to finish their programs, too. They don't want an interruption in any aid for them whatsoever. So, work with them, get an approval, and then, of course, then you would submit it to us.

If the teach-out is approved by the school's accrediting agency, and – there's another criteria – if we have taken a limitation, suspension, termination or emergency action against that school, okay? That has to be the condition that had to apply to that particular school, okay? Then, as long as you have the approval from the accrediting body, and, "Yeah, we terminated them or we had an emergency action, and that's why they closed," and many times, if they close, we place some kind of action on them. So, for the most part, that's what happens anyway, but you then must apply through your E-App process, the whole process, your documentation, and you have to wait for our approval. But, again, on these, we know it's something that we've got to work real quick on, and we try to do it as fast as possible.

On the teach-out, Slide 20, closed-school location may be eligible for a permanent additional location, because you may have to do the teach-out, you may say, "Well, this is a nice building _____ floor," or what have you, "And it's a good program. I would like to make it a permanent additional location to my institution." Now, the closed school location may be eligible as the permanent additional location of the applicant school without having to satisfy the two-year rule, so you don't have to say, "Well, I have to wait two years," assume liabilities, or absorb the default rate of the closed school if the location was first approved for purpose of conducting a teach-out. So, obviously, if you didn't teach-out, then forget it. You won't be able to add them as a permanent additional location. If the institutions have related parties, that's

not gonna be an approval, so you have to make sure there's no related parties between the two schools, and you also have to make sure there's no common owners or managers of the _____ school. Okay, and that's it on teach-outs. I'm gonna have Tracy continue with the rest of the presentation.

Tracy Nave:

Hi, everyone. How's Orlando treating you? I've been enjoying myself. I met up with old friends last night and had a wonderful time. There's nothing like old friends, so it's nice to reconnect with people. All right. Well, Barbara has talked about when institutions need to request approval to add a program or a location, and during the remainder of the session, we are going to talk about other changes that schools are required to report, and also how schools can report those changes and updates. So, first, we'll talk about reporting changes, and that consists of two categories, the first being those changes that require you to report the change and then wait for the department's approval. The other category is when you can report the change to us, or the update to us within ten calendar days of the change, and you'll need to do that via the E-App, but you do not need to wait for our approval. You can just go on with business.

Okay, so let's start with those changes that require the department's approval. The first one here has to do with accrediting agencies. So, if an institution changes its primary institution-wide accrediting agency or state agency, the change must be approved. But, prior to the change, the institution must notify the department when they actually begin the process of changing their accrediting agency, and they also must notify us for the reason that they are changing their accrediting agency. If the institution does not properly notify the department, then, unfortunately, the department will no longer recognize its current accreditation, and that's not a good thing, because if you don't have current accreditation, then you're not eligible for Title IV funds. There's also another case, when institutions will add another accrediting agency for various reasons. Maybe they're adding a new program and their current **accreditor** doesn't accredit that new program.

Okay, so if they are adding another accreditor, they also need to notify the department upfront at the beginning of the process, and tell us why they are adding another accreditor, because if they don't, again, the department will not recognize either accreditation, and that's not a great thing. We don't want our students to lose Title IV. Okay, so the department also requires you to wait for approval when there is a change in institutional structure, and that would be if you are changing from a profit to a non-profit

institution, or if there is a change in ownership that results in a change in control, and a change in ownership that results in a change in control occurs when a person or corporation obtains new authority to **affect** the actions of the school, and that's **why** there is a **proprietorship**, a partnership, or a corporation. The most common type is when a school is being sold, and there are a whole bunch of other types of change in ownerships, which you can look at, review in Volume 2, Chapter 5 of the Federal Student Aid Handbook.

So, when a school undergoes a change in ownership, it loses its eligibility to participate in the Title IV programs on the day that the change occurs, and that's unless the institution meets the conditions for a temporary Program Participation Agreement, or if the change in ownership is considered an excluded transaction. I'll come back to the temporary PPA, but the excluded transactions would consist of ownership interest being transferred to a member of the owner's family, or upon the death or retirement of an owner if the ownership interest is being transferred to another person in the company who holds an ownership interest and who has held that ownership interest for two years, and who has also taken part in the management of the school for the last two years. So, those are excluded transactions, and although we don't consider it a change in ownership, you do need to still report that information to us.

Okay, back to the temporary PPA. An institution is eligible for a temporary PPA if they submit a materially complete application within ten days of the change taking place. A materially complete application is a completed application, which you submit via the E-App. Also, accrediting agency/state approval information, which was in effect prior to the change. Financial statements for the two most recent years for the school, and we'll already have those on file in our easy audit system, and also financial statements for the two most current years for the new owner, and they need to be submitted in accordance with GAAP and GAGAS, and then also Section L, which is the application page of the E-App. So, if an institution submits those to the department within ten days, we'll issue a temporary PPA and so the school won't lose their Title IV eligibility. It will continue it while the department reviews the application.

We do give schools the option of submitting an application marked Pre-Acquisition Review, and we strongly suggest that you do this if you are going through a change in ownership, or if you think you're going through a change in ownership. We need to receive it

45 days prior to the change, and what that does is it allows the School Participation Team to review your application and let you know if you have completed the application properly, and, also, we'll inform you of the information that we need within ten days. It's really a good tool for you to use just to make sure you have all your ducks in a row.

All right. Other changes that require our approval would be a change in the type of ownership, and that would be a change from, let's say, a proprietorship to a corporation, a merger of two eligible institutions, a reinstatement, which you would need to wait for our approval, whether your previous withdrawal was voluntary or involuntary, or also if you want to re-designate your main location, and that would be if you want to make an additional location a main location, and vice versa. Okay, continuing with those changes that require the department's approval. If you want to increase the level of education programs beyond the scope of your current approval, in other words, let's say you're just offering non-degree programs right now and you want to start offering associate's degree programs. You would need to wait for our approval to do that. Your accrediting agency and state authorizing agency documentation must specifically state that they are approving you for a higher level, the associate's degree, in this case.

Also, if you want to change the FSA programs for which your school is approved, you'll need to wait for our approval, but you will not need to send in any accreditation or state agency information, and that would be if you wanted to start participating in campus-based programs, for instance. Okay, a school that is applying for initial participation, and that would be for if they wanted to participate as a deferment-only school. They wouldn't really be actively participating in the FSA programs, but their students at their school will be eligible for in-school deferments for loan purposes, or if it is a brand new school that wants to start participating in the Title IV programs, they'll need to wait for our approval.

Also, re-certification, you'll need to wait for our approval. The department will send a reminder email to your institution when your re-certification is coming up. In other words, they'll send it several months before your PPA expires, and if you submit your application 90 days prior to the expiration of your PPA, then the department will continue your participation on a month-to-month basis, even if we haven't completed the application yet. So, let's say your PPA expires on June 30, 2011. If we receive a materially

complete application by March 31, 2011, and we don't complete the review of your school by June 30, we'll just keep you on a month-to-month basis so there won't be any issues with your Title IV. Again, I need to remind you here that that is very important why you keep your emails updated, so if the financial aid administrator has a new email or it's a new financial aid administrator, it's important, because we do send you reminder emails out, and if the person is no longer there or their email has changed, then you're not gonna get that reminder.

All right. In addition to what Barbara talked about with the additional locations and programs, those are the changes that require the department's approval. Just an overview: When you submit a change to us that does require our approval, you'll need to submit it via the E-App within ten calendar days of the change, and there are exceptions. Again, remember the accrediting agency situation there. In these cases, a school must send to ED copies of the approval for the change. That would be the state and accrediting agency information, any required documentation, and that will change based on what type of application you're actually submitting. In other words, if it's a change in ownership, you'll need to send us financial statement information, and all that. If it's an initial school, in addition to the accreditation and state approval, you'll also need to send us enrollment information. For instance, if your institution is subject to the two-year rule, meaning your school had to be conducting business for two years prior to the date that you actually apply to us, so you'd need to send us enrollment information. So, that change is depending on what type of application you've submitted, and, also, in all cases, you'll have to submit Section L of the E-App, which contains the original signature of the appropriate person at your school, usually the president.

All right. Moving on to those changes that you need to report to us but that you don't need our approval, and that would be a change to the name of the school, change to the CEO, president, or chancellor, change to the CFO or a change to the financial aid administrator, and that would be in Section A of the E-App. Also, if there's a change in governance of a public institution, in other words, if the control changes from the county to the state, you can just report that and go on with your business. Also, if you would like to decrease the level of the program offerings at your institution, in other words, let's say you don't want to offer graduate programs anymore, you can just drop those and you can report it to us and go on with your business. And, also, if there is a change from or to clock hours or credit hours.

Okay, if there is an address change for a principal location, you do not need to wait for our approval, and that is only if you move under 20 miles away, or under 30 minutes driving time away, and you need to be in the same state. So, if you're close to any of those, you might want to call your School Participation Team to see if they will consider it just an address change, because they actually may determine that it is a closing of the school and then the opening of a new school, and that'll just open up a whole bunch of issues for you. So, when in doubt, call them. I mean if it's five miles away, it really shouldn't be a problem. There are other circumstances where they may consider it not an address change, even if you're less than 20 miles away, for instance, and that would be if you're moving somewhere where, before, the students had access to public transportation and now they don't, so that could be an issue, too. So, just keep that in mind.

Also, you do not need to wait for our approval if you change the name or address of your other locations. Again, that 20-mile, 30-minute driving time in the same state rule still applies for your additional location, so they may consider that to be a closed location, and then you'll have to open another location, which isn't as big of a deal as if it's your main location. Also, if you change your third-party servicer that deals with FSA programs, you do not need to wait for our approval. Okay, Slide 31 here, Foreign Gift Reporting. You do not need to wait for our approval with that, but you must report the applicable gifts by January 31, or July 31, and that's depending on when you receive the gifts. Also, if you want to voluntarily withdraw from some or all of the Title IV programs, you do not need to wait for our approval. You just need to submit that via the E-App.

Okay, so we have talked about adding programs, adding locations, other changes that require our approval and other changes that do not require our approval, and now we're going to move on to how you submit those changes, and we'll cover this quickly. I know some of you are familiar with this, but I do want to cover it because sometimes errors are made during the submission process. Okay, how you submit the changes. You will go to our website, www.eligcert.ed.gov. You will go to Section A of the E-App, on the homepage there, Question 1, and you'll select the Update Information box, and you will select the purpose from the pick list. If the purpose is not there, then you would click Other and then type in the purpose of your application. You'll complete the appropriate information for what you're trying to do in the application, and then you will go to Section L of the E-App and

you will print that out, and you'll mail that. Section L is a signature page, and you'll also submit all the other documents that you need to, which Section M will tell you exactly what you need to do for the appropriate type of application.

Some features of the E-App: The questions are pre-populated. There is help text, edit checks, status messages, and there's skip logic, so it automatically skips those questions that are not applicable to what you're doing. Here's the homepage. I'm sure most of you have seen this before. The left-hand side here, you can see those are our E-App features. You can check the status of your application, you can display your application, and you can display your PPA or ECAR. So, let's say, like Barbara was saying earlier, you're not sure what programs we've approved. You can go in here at any time, actually, to check your ECAR to see, actually, what we have listed for you as an eligible program or an eligible location. The only time you really can't get into that is if you have an application pending with us because it'll lock you out of it, but you can always call and ask us what we have. Okay, and then there's also case team contact information there.

So, what you would do is you click on that link, Application for Approval to Participate in _____ Programs, which will come up with the user I.D., password box. You'll use capital ED, your eight-digit OPE I.D. number as your user I.D., and a capital ED and your nine-digit tax identification number as your password. At any time, you can go to Question 69, and that's in Section K, to add additional information. You would definitely use that to document the eligibility criteria for the TEACH Grant, but also, remember how I talked about if your purpose isn't listed in the pick list? Let's say you're doing something – I don't know what else you would be doing, but make something up. I can't even think. My brain is like, "Ugh." Well, you could actually explain to us what you're doing in this _____. It's a narrative, and this is what it looks like. You could write anything you want in there, nice stuff, of course, nothing mean. Okay. All right, so let's say we just completed Section F, where you want to request approval for an additional location.

This is the bottom of that page, and it asks you what you want to do. It says, "Check here if you're done with this section," and it also says you can check this box here if you want to go somewhere else and then come back to this section, because you had to edit text, or something like that. Maybe you don't have all the information you need to complete the section. Down at the bottom here, it says, "Where do you want to go?" Let's say you're fully

re-certified and you want to add an additional location, which means you don't need to wait for our approval. It's only if you're on provisional that you would need to wait for our approval to add the location. So, then, what you would do is you would just go to Section L, which is the signature page, and it'll bring you here. You'll check off that the president will sign the page, and you'll print the page, and you want to make sure that the president who signs the application is actually the president we have on file as the president. We actually do check that. It should be the same person. If it's not, there needs to be a really good explanation for it. Maybe the president is sick, or maybe they are out of the country or on a sabbatical, or something like that, and that does happen from time to time. You just really need to tell us what's going on with that.

So, after you do Section L, then you'll go to Section M. It'll say right there, "Continue to Section M," and Section M will identify the requiring supporting documentation. So, this, for instance, we'll use our example there, adding an additional location _____ fully certified, okay? This is the documentation that you'll need to submit to the Department of Education down in Washington, D.C., and the address you'll see in a second here. You'll notice that we have Mr. George Washington and Mr. Ben Franklin listed here, and we'll need their Social Security information, but we only really need their Social Security information when it's a re-cert or a change in ownership, and we keep that information very private. And, here we go; we're ready to submit the application. Many times, schools do everything they need to in the application and they forget to hit the submission button. It happens often, and they'll call up and they'll say, "Do you have my application," and we say, "No, you need to hit the Submit button." So, if you don't get this page that says we've received it, that means we didn't get it. Imagine that.

Okay, so if you want to check the status, again, you can go to, remember the homepage, on the left-hand side, E-App features, where you can display your PPA and ECAR. You can also check the status of your application there. It'll be in the left-hand margin. We will send a response to you via email, and the email will instruct you to go to the PPA ECAR page of the E-App website to view your approval letter, and the approval letter would be if it was a change you submitted that required our approval, or your acknowledgment letter, which would be a change that you submitted to us which did not require our approval. You'll print and review copies of your approval letter and your ECAR, and then you will want to just print it out and keep it with your current

PPA. If it's a re-cert application, obviously, you'd print the whole thing out. So, these acknowledgment and approval actions are actually amendments, and it will also give you contact information, the email on who was working on your application, if you need additional help. So, this is here on the left-hand side, where you can see it says, "Check the status of your application," and I already mentioned where you can display your ECAR.

Here is contact information for the school teams, which Barbara mentioned earlier, and this is our contact information. Barbara loves getting phone calls at 3:00 in the morning, so she's here to help you, and that is it. Before we open up for questions, I need to remind you that we do value your feedback and we really would like to hear from you with our online evaluations, and that will be emailed to you after the conference, and thank you very much. We appreciate you coming, and we hope you enjoy the rest of your time in Orlando. Yes? Questions?

Audience: [Inaudible comment]

Tracy Nave: Yeah, if you want to use the microphone, that would be great.

Audience: You won't hear me, otherwise. We've been cautioned in the past to be careful of how many short, non-degree programs we are offering that are eligible for financial aid because of the danger of being designated a predominantly vocational institution. So, for example, you're a community college that has a big plethora of programs, 90 percent of your students are in two-year degree programs, but, officially, there are only, say, ten two-year degree programs. But you've got a lot of workforce credentialing programs that if you were to get approval for them to have financial aid, then 75 percent of your programs would be short, non-degree, workforce credentials but 90 percent of your students are in two-year degree programs. So, you don't want to flip over and start using rules that are a little more complicated for 90 percent of your students. Do you get what I'm saying?

Tracy Nave: What do you mean, rules?

Audience: Well, I believe it's under the Distance Learning. Sorry, I'm not a director of financial –

Tracy Nave: That's okay.

Audience: – _____ so I'm gonna lose the detail there. If you're predominantly a vocational institution, then you've got to monitor that in a different way because you would be vocational in nature

and no longer a two-year public school. My question is, has something changed there, because we were being so – and we're in Florida, where the community colleges tend to be large and they have many, many programs, and we were cautioned by our institutional representatives to not allow ourselves to get approval for more than half of what we already have.

Tracy Nave: What representatives –

Audience: From the Atlanta office.

Tracy Nave: Okay. Well, back to what you were talking about with you adding additional vocational programs, and then you sort of being categorized that way. This is a very confusing concept, but institutions can meet the definition of several types of institutions, so you're probably classified as an institution of higher education, but you actually have to meet the requirements of a vocational school when you're offering those programs. So, it's not going to change your status in our system, or anything like that. It's just when you administer those non-vocational programs, you have to meet those definitions.

Audience: Okay.

Tracy Nave: Okay? But adding vocational programs, we don't really red flag anything.

Audience: Yeah. I'll talk to you about it afterwards.

Barbara Wingel: Yeah, because we're not familiar with that. Maybe with distance ed, it might make a difference, but –

Tracy Nave: Right.

Audience: Okay.

Tracy Nave: Yeah.

Audience: Hi.

Tracy Nave: Hi.

Audience: I have a twofold question. The first one is surrounding the new gainful employment rules in new programs.

Tracy Nave: What is gainful employment?

[Laughter]

- Barbara Wingel:* Can you email us your questions?
[Crosstalk]
- Audience:* So, my first question is whether or not the E-App process will be modified to – we don't know yet?
- Barbara Wingel:* Good question. We're –
- Tracy Nave:* We know as much as you.
- Barbara Wingel:* – thinking yes, but at this point, unfortunately, we don't have those answers for you.
- Audience:* Okay, and then my second question is in regards to the _____ occupational code, and if you could shed some light as to the review process and what you're looking for **and** its correlation. When we do the _____ code **crosswalk** to the standard occupational code, is there something that you're going to be cross-referencing or any guidance that you can issue to schools so that when we submit the documentation to you for your review, we make sure we're prepared?
- Barbara Wingel:* At this point, I'm not sure what we're actually going to be reviewing on that particular _____. Unfortunately, there's things still going on, questions we have, so we really can't – but I really do urge you, please send us an email, because I would like to gather some of these questions –
- Tracy Nave:* Right.
- Barbara Wingel:* – because if we don't get answers to these soon, I'm gonna say, "I have these questions. Can we get these answered?" If you would, I really would appreciate it, because –
- Audience:* Okay.
- Barbara Wingel:* – I'm not remember when –
- Tracy Nave:* A lot of the Department of ED staff, we are taking emails because we do want to address everybody's –
- Barbara Wingel:* And E-App. I mean you could send it to –
- Tracy Nave:* – concerns, and we know there are –
- Barbara Wingel:* – _____ fine.

- Tracy Nave:* – major concerns out there.
- Audience:* I have a couple of questions in regard to online programs. If you're taking one of your brick-and-mortar programs and now offering it online, as well, is that a new program? Does that require any additional notifications?
- Tracy Nave:* No, actually, it doesn't. As long as your accreditor is one that we approve to accredit distance education programs, it's really not considered a new program.
- Audience:* Okay, so it would be the same thing, then, if you were **hybriding**, if you had a full brick-and-mortar program, and now a portion of it, the students have the option of taking online? There's nothing notification-wise we would have to send to you?
- Tracy Nave:* No, and if it's under 50 percent online, then you do not need an accreditor that we have recognized as an accreditor that can –
- Audience:* Good. Thank you.
- Tracy Nave:* Yeah.
- Audience:* Good morning.
- Tracy Nave:* Good morning.
- Audience:* A school initially accreditation, so provisional period, is the provisional period usually a year, or is it to the next –
- Tracy Nave:* Basically, it's the – oh, sorry.
- Barbara Wingel:* Usually, it's two full award years.
- Audience:* Okay, and if we start a program that we want to add, and it's within our scope and it's a full 720-hour or 900 clock hour program, we have to wait, but it sounded to me like you said usually, or most often, are there exceptions to that rule, where a new program could be added before the provisional period is over?
- Tracy Nave:* There are exceptions. We don't like to approve anything new. There are exceptions to everything –
- Audience:* I want to hear about the exceptions.
- Tracy Nave:* – in the world.
- Barbara Wingel:* There are exceptions, but –

Tracy Nave: Yes, but if your program has been in existence for two years, then an exception can be made.

Audience: Okay.

Tracy Nave: I mean you were probably subject to the two-year rule anyway, a for-profit institution?

Audience: Right.

Tracy Nave: Okay, so probably at the time, when you got initially certified, that program wasn't in existence for two years, right?

Audience: Right.

Tracy Nave: But it is now?

Audience: But it is now. Okay.

Tracy Nave: It is now, right.

Audience: That's the only exception –

Barbara Wingel: Usually, yeah.

Audience: Okay.

Tracy Nave: And with your initial period, it also depends where in the award year you got approved. So, in other words –

Audience: Right.

Tracy Nave: – right, so your initial period could be as short as 13 months, or as long as, like Barbara said, two years. Basically, we move it to the end of the award year, and then an additional award year. So, for instance, if you got approved in March, we'd bring you to the end of the award year, which is June, and then we give you another award year. So, that's how we do our initials, yes.

Audience: Thank you.

Tracy Nave: Yep.

Audience: We're considering adding an additional site. Eventually, we'll be offering more than 50 percent of the program, but in the initial year or two, we'll be offering less. Do we have to report that during that first year or two until we start offering 50 percent?

Tracy Nave: No, you don't. If you get close, though, report it.

- Audience:* Okay, follow-up question, then. We may be offering this in just an office _____, just a couple of classes. Do we have to have a campus security report on that site, which is gonna be, say, 50 miles from our current campus?
- Tracy Nave:* You have to report the crime that –
- Audience:* So, there has to be that report available on that site?
- Tracy Nave:* If it's over 50 percent, though.
- Audience:* If it's under 50 percent?
- Barbara Wingel:* Crime awareness, I'm not an expert on that. I'm not 100 percent sure. I thought you would need to, if that's part of your campus and part of your – you have to report. I mean I thought the rules of the campus security is as long as it's part of your campus, you have to report it.
- Audience:* Okay.
- Tracy Nave:* We'll get you an absolute answer on that.
- Barbara Wingel:* **I'm sorry.** _____ campus security –
- Tracy Nave:* If you come up afterwards, I'll give you my email, okay? Yeah?
- Audience:* The ruling that I got on that same question –
- Barbara Wingel:* Okay.
- Audience:* – _____ had to report it.
- Barbara Wingel:* Yeah, that's what I think.
- Audience:* – _____ report **crime-specific** –
- Barbara Wingel:* That's what I thought.
- Audience:* – at that other location.
- Tracy Nave:* For a couple classes?
- Audience:* **We separated.**
- Tracy Nave:* Okay.
- Audience:* My questions are follow-up questions on ones that were just asked. Two questions ago, when we were talking about the online

program and the **ground** program, the question is if the online staff, let's say that there's not enough room on the campus to facilitate the staff, the counselors for the online students, and since they're not on the campus, we'd move the online staff off of the campus. So, the question is if that staff is located more than 50 miles away from the campus, do we have an issue there? Because what I'm saying is the program is still coming –

Barbara Wingel: Oh, right. So, if the program is not being offered –

Audience: Okay, just the staff, and even though the staff is located for those – now, the next question would be those staff members that are located in an office building that's off the campus, do we have to have a crime report for the facility that the staff members are in, even though there's no students –

Barbara Wingel: Is this crime awareness? I'm sorry. I'm not familiar –

Audience: Well, I didn't think of it until he just asked that question, so I –

Barbara Wingel: I know –

Tracy Nave: We can talk crime. We'll talk crime. No problem.

[Laughter]

Barbara Wingel: I don't have my crime notes with me.

Tracy Nave: We're flexible. Students do not –

Audience: Students don't access that building because –

Barbara Wingel: Yeah, I mean I wouldn't think so –

Tracy Nave: I would say no.

Audience: Okay.

Barbara Wingel: Sorry. Not prepared for the –

Audience: We're a four-year public institution. We offer master's degrees and bachelor's degrees. Last year, or two years ago, our graduate office wanted to award post-baccalaureate degrees, and we submitted the paperwork and were approved for a certain program. Now, this year, they wanted to offer three post-baccalaureate programs in three different majors, and so we've just recently submitted that paperwork to have those programs approved. Do we have to keep doing that for each major that they want to offer a

post-baccalaureate degree for, or can we just apply to offer post-baccalaureate degrees, as we do master's and bachelor's?

Tracy Nave: You're approved at the graduate level?

Audience: Yes.

Tracy Nave: And you're fully re-certified?

Audience: Yes.

Tracy Nave: Yes. Post-baccalaureate?

Barbara Wingel: What do they receive?

Tracy Nave: Is it a certificate?

[Crosstalk]

Audience: It's like a **certificate**.

Tracy Nave: You do have to submit that to us, yes. Even if it's a graduate level certificate program, it needs to be approved by us, and the accrediting agency documentation actually has to list the certificate programs.

Audience: Okay, and, also, they're also offering more combined bachelor's and master's degree programs. Do we do that for each one separately, as well?

Barbara Wingel: It's a bachelor's degree program, you're saying, and a master's degree?

Audience: Right.

Barbara Wingel: They're getting a degree, right? We don't require you to inform us of any additional bachelor's or master's degree programs once you're approved for that.

Audience: Okay.

Barbara Wingel: It's only if it's the non-degree program, or your certificate program, we would need that.

Tracy Nave: Right, an institution of higher education, usually they're accreditation covers – it's an umbrella. It covers all degree programs.

Barbara Wingel: Once we approve you for your bachelor's or your master's, that's it for us.

Tracy Nave: Anything that's not a degree program, you'd need to submit to us. So, if it's a certificate, something like that, you'd need to.

Audience: Okay. Thank you.

Audience: I want to see if I can take you back to Slide 22, which is a Report and Wait on state approval. There's a notation that we will be required to indicate a start in a change of a state approval agency. With the new –

Tracy Nave: It's not the state. It's just the accrediting agency.

Audience: Okay, so that's –

Tracy Nave: Yeah, it's just –

Audience: – not correct?

Tracy Nave: – you do not have to tell us at the beginning of the process with the state agency. It's just the accrediting agency. Usually, you would change your state authorizing agency if, for instance, you were approved, if you went from non-degree programs to bachelor's degree programs, because within a state, different entities within a state approve certain types of institutions, so some approve institutions of higher ed. But you do have to tell us about it, absolutely, within ten days.

Audience: Okay. There clearly are going to be a number of state approval agency changes after July 1, 2011, because –

Tracy Nave: Yes.

Audience: – of the new program integrity issues in the final regulations. How does the department intend to treat those when new agencies are created? Do you simply intend us to advise you within ten days of when we achieve approval of a new state approving agency?

Barbara Wingel: That's probably what, I mean –

Tracy Nave: Most likely, that is what's going to happen, because right now all you have to do is tell us within ten days anyway, so that probably will continue.

Barbara Wingel: I don't see any changes, but –

Tracy Nave: We think –

Barbara Wingel: – hopefully we'll let you know.

Tracy Nave: Yeah.

Audience: Okay. Thank you.

Tracy Nave: Okay. We don't want to make your lives more difficult.

Barbara Wingel: We try not to, Tracy and I.

Tracy Nave: We're here –

Audience: We appreciate it.

Tracy Nave: – to help you, actually. We're from the government, and we really are here to help you.

Barbara Wingel: **We are.**

Tracy Nave: _____.

Audience: There's a bunch of state schools in Ohio that are switching from quarters to semesters, and it's gonna be in the middle of an academic year, but do we have to report that, that we're going from quarters to semesters? I saw where it said credit hour to clock hour, but I didn't know –

Barbara Wingel: No, not quarter. Nope.

Audience: Okay. Thank you.

Audience: Hi. I just had a question on clarification on the online questions that had already been asked. Our school is looking at new online degree programs that would not be different degrees from what we're already approved for, so that's not a change, from what I'm understanding.

Tracy Nave: Nope. Right.

Audience: If an existing program begins an online portion that's more than 50 percent, that would be a change of location, or not?

Barbara Wingel: No.

Audience: So, online –

Barbara Wingel: Yeah, because it's not a location.

Audience: Okay.

Barbara Wingel: It's not a specific location.

Audience: Okay, so really no issues, program- or location-wise, if the degree is the same as –

Tracy Nave: If the degree is the same. Yeah.

Audience: Thank you.

Tracy Nave: Anybody?

Barbara Wingel: Anything else?

Tracy Nave: Thank you very much.

Barbara Wingel: Thanks.

[End of Audio]