

Female:

So we're gonna talk about satisfactory academic progress, and we've titled this Foreign School Satisfactory Academic Progress, but the rules are the same for domestic schools or for foreign schools. To begin with, what our regulations state is that you must have a satisfactory academic progress policy for students who are receiving a direct loan. It must be at least as strict academically as the progress policy that your school has for students who are not US citizens receiving direct loans. And you do have to make sure that the policy is applied consistently to all of your US direct loan recipients.

Does anybody have a program of study that is less than one academic year in length? A academic year on our definition is at least 30 weeks of instruction, and 24 semester credits, or 36 quarter credits? Anybody have a problem that is shorter than that? Okay. For those programs, essentially what we do is say that satisfactory academic progress is evaluated at the end of each payment period. But for those of you that have programs that are longer than academic year, you have a choice. Traditionally, we've always said that schools should evaluate satisfactory academic progress annually, once during each school year. And that's still okay to do. Now I know that most domestic schools typically have done it at the end of the spring semester, like May/June, that time of the year. But these new regulations also give you the option to evaluate satisfactory academic progress at the end of every payment period.

Now I'm thinking that probably most of you use a term calendar, so you have semesters or quarters or modules. I don't know what you may call them, but in a term calendar the payment period is the term. You may have a fall term that runs from September to December, and a spring term that runs from February to May or something like that. You have the option to evaluate the student satisfactory academic progress at the end of every term. If you do that, you do have a few additional processes that you can put in place that a school that evaluates progress annually does not have. But when we talk about evaluating progress every term, we say that it must be done every term, including at the conclusion of the summer term. So if you don't evaluate satisfactory progress at the conclusion of your summer term, then you do not meet our definition of a school that evaluates after every term.

It is important for your students to understand that at any point that you do a satisfactory progress – or a SAP evaluation as we call it, and the student doesn't meet the SAP standards, that student has lost eligibility for a direct loan, and students need to understand

that. At whatever year evaluation points are, whether they're at the end of every term, or whether it is just once a year, a student who does not meet the standards does lose eligibility for direct loan. Not as based in our law. It's not just a policy, but it is based in the Higher Education Act in the law as well as in our registrations.

Our satisfactory progress policy incorporates two components. The first one is the qualitative component, and that's basically the quality of the student's work. And I think most schools measure that in some sort of a grading system. You may have letter grades. You may have percentages. But, typically, there is a grading system. And what we require is that at each satisfactory progress evaluation point, you make sure that the students' quality or grades are at your required minimum standard.

Some schools will have a set standard for the entire two, three, four years of the program where at every evaluation point maybe the student has to have the equivalent of a C or a 2.0. You may make it higher at your institution. You may also say that there is a graduated standard so that the beginning, the freshmen, the younger incoming students don't have to do quite as well as the upperclassmen do. So maybe the freshmen students have to meet a 1.8, and then when they get to sophomore standing or junior standing, they have to have the 2.0. But basically, what we say is the 2.0 is the minute requirement for any program that is longer than two years in length, so longer than an associate's degree, would have to have at least a 2.0 at the end of two years, or a standard consistent with graduation requirements.

Is the four-point scale something that most of you use? No, okay. So tell me how your grading system works, anybody. It's pass/fail. Completely pass/fail. Anybody else do it that way?

Audience: *[Inaudible comment]*

Female: Okay. So it's a percentage. So what would be – like in the United States, we have a C, which is considered sort of the average. What would be your equivalent of that? 54 percent? Okay. Anybody else have something different than that? Okay.

A C is basically the average. The students is completing the work and passing it satisfactorily, and that's what we would say is a 2.0 on a 4.0 grading scale. But if you don't have that, then you need to find what your equivalent would be in the grading scale that your institution uses.

The quantitative component looks at if the student is progressing at a rate that will allow the student to complete the program within a satisfactory period of time. And what we establish is something called a maximum timeframe. For undergraduate programs, which are bachelor's degrees and under, our regulation states that the maximum timeframe that you can allow is 150 percent of the published length of the program. And if you are a school that measures progress in credit hours, we say that your satisfactory progress maximum timeframe must be measured in credit hours. Do a lot of you use credit hours or units at your schools? I'm seeing head nodding yes, okay.

Does anybody have clock hours in their programs. Measure progress in clock hours? Okay. So 150 percent is the maximum timeframe for an undergraduate student or a bachelor's degree or lower. You can set your maximum timeframe at less than 150 percent if you choose to do that. If you have graduate and professional programs, which would be master's degrees, PhDs, medical, dental, veterinary, those types of things, there we say that the school decides on the maximum timeframe for those programs. We don't. We don't stipulate a particular percentage.

However, for foreign graduate medical school specifically, we do say that you must not have a timeframe longer than 150 percent of the published length of the program. And for foreign graduate medical schools, you do not have to measure your maximum timeframe in credit hours. You can measure it essentially any way you choose. You can measure it in years. You can measure it in terms. You can measure it in hours. You may say that because – and I'm just throwing out numbers here – it takes three years to get this graduate medical degree that you're going to give the student 150 percent of that in years, so the student's gonna have an extra year and a half, so he would have four and a half years to complete the program.

Or you can do it in credit hours. And here's an example of the credit hour scenario. A degree program – and I chose bachelor's degree here – that requires 120 credits for a graduation. Because they have to measure maximum timeframe in credits, it would be 150 percent of 120 credits. So what that means is that a student can use Title IV aid to attempt maximum of 180 credits with the idea that he or she is going to earn the 120 credits that are needed to complete the degree program. Now alongside of that maximum timeframe, we established a new term called a pace of progression. And this is really just a way to measure whether your student is working at a rate that will allow him or her to finish within your

maximum timeframe. And what we do is we divide the hours that the student has successfully completed by the cumulative hours or credits that the student has attempted. And this slide shows how you would do that for 150 percent max timeframe.

You would take the 120 divided by 180, and that is 67 percent. So at 150 percent maximum timeframe, your pace of progression is 67 percent. So at each satisfactory progress review, you'd need to make sure that a student is satisfactorily completing at least 67 percent of the credits that he or she has attempted. And as long as the student is doing that, we say the student is on pace to complete his or her program within the 150 percent timeframe. And, again – yes.

Audience: *[Inaudible comment]*

Female: Let me repeat the question to make sure everybody heard it. She said if a student is enrolled at your school, but not getting a direct loan, and then at a given point, decides to apply for a direct loan does it all of that enrollment count toward the 150 percent, and yes, it does. Satisfactory progress is cumulative. So it includes all the periods of enrollment at your institution whether or not the student applied for and a received a direct loan. So maybe they came the first year and didn't borrow with the direct loan program. That first year still does count at the point that that student wants to apply for a direct loan to their overall progress. Yes, sir.

Audience: *[Inaudible comment]*

Female: LOA, meaning a leave of absence? If a student goes on a leave of absence then, right, that time period is excluded when you're counting the 150 percent, and that would make sense because you're measuring it in credit hours and the student's not attempting any credit hours when they're on a leave of absence.

The reason that we chose credit hours or units is because it's much easier to measure at any enrollment status, whether the student's taking 6 credits at a term, 9 credits in a term, 15 credits in a term, you're always using a percentage. And so it's much easier to measure than if we were using year or numbers of terms. And you would have to prorate it based on the student's actual enrollment status.

The maximum timeframe says that the student may receive direct loan for 150 percent, but that doesn't mean that it's an automatic. It doesn't that you allow a student to attempt or enroll for 180

credits in 120 credit-hour program, and then once he's at 180, you say, "Okay, you can't get direct loan anymore." You're monitoring it all along the way to make sure that he is at that 67 percent and it is possible, even if he's only in his first or second year, is he progressing? Is he passing courses at a rate that will allow him to finish within that 180 credits? And if he's doing that, then he's allowed to continue to receive loans.

But if at any point his pace falls below 67 percent, then that means that he's not passing enough courses to complete within that maximum timeframe, and at that point, we stop him. His direct loan money stops because he has to get back on track to be able to complete within the 150 percent. We don't want every student just automatically going to 150 percent and then ending. The idea is to complete the program as efficiently as possible and as quickly as possible, as close to the Norman timeframe as possible.

I did a clock hour example here as well, but since no one is clock hours, we won't look at that one.

Audience: *[Inaudible comment]*

Female: Oh, you are. I'm sorry. Okay. Clock hours. If we have a program that's measured in clock hours, let's say the student is required to sit for 1,500 clock hours in order to get his or her certificate or diploma, that program meets scheduled to meet 30 clock hours a week, that by simple division tells us that it would normally take that student 50 weeks to complete that program, assuming that he goes through at the normal pace. In the clock hour world, the maximum timeframe is measured in calendar time. So we would take that 50 weeks times 150 percent, and say that the longest that particular student could remain in the program and receive direct loan is 75 weeks. But, again, at any point, where you're measuring this progress and he's below 67 percent, his direct loan eligibility stops because at that point then, he has to revise his progress in order to continue to be eligible.

As part of your satisfactory academic progress policy, it's important that you explain to your students how various elements of the grading system affect their progress. For example, do your instructors give incomplete grades to students? Maybe at the end of a given sessions, at the end of a given term a student hasn't completed a particular course. I know I did that many moon ago. The only thing we had to do for the class was write a paper, and last day of class came I and I still hadn't written the paper. So the instructor gave me an incomplete and he gave me X number of

months to finish the paper and still get a grade. Well, students need to understand that if they do that, how will that impact their overall progress. And at what point are you going to say that that incomplete becomes a failing grade and how the failing grade then affects their progress.

If a student withdraws from a course without completing it, that is still considered an attempted course. So that would be a part of those 180 total credits that the student is allowed to attempt and so the students need to understand that. If the student withdraws, it is possible that they still received direct loan money because you do the R2T4, or the return of funds calculation, and there may have been direct loan money that went to pay whatever charges were assessed before the student withdrew.

If you allow students to repeat courses, those also must count as part of those attempted hours. They count in that maximum timeframe. You decide at your institution how a repeated course affects the student's grades. If he gets a 50 percent the first time and a 60 percent the second time, do you average that and say that he got a 55 percent in that course, or does your school do something different with those grades? How you do the grading for repetitions is really up to the institution. But we have to make sure that the actual attempted hours do count toward the student's maximum timeframe.

And if you – yes.

Audience: [Inaudible comment]

Female: Okay. She said that they have a master's program and when a student fails a course, they can only retake it in the third semester. So then if I'm in my first semester and I've failed the course, can I still progress and take courses in my second semester? I just have to hold off on that particular repeat. And that's fine if that's your school's policy. If the student has to repeat the course and get a passing grade in order to get the degree, you set the parameters as to when and how that's repeated. That's up to your institution.

What we say for repeats is that when a student fails a course they can repeat that course as many times as necessary to achieve a passing grade and still receive direct loan for that repeat. But you have the authority to limit the number of times that you will use direct loan money to pay to repeat a failed course.

Do any of you accept transfer credit, either from US schools or

from other foreign schools toward a student's program? Okay, if you do that, we do also require that those transfer credits count toward the student's satisfactory academic progress. They count as both the attempted hours and the completed hours, and here's an example. Let's say the student comes to you from another school and your school is going to accept 40 credits that were earned at that other institutions toward the student's degree program at your school.

Well, the pace that the student has, he has attempted 40 hour and he has successfully completed 40 hours. So his pace walking in the door at your school is 100 percent. It makes sense 'cause your school doesn't accept credits for courses that were failed. So you're only going to accept past courses. So this transfer student is always going to come in with 100 percent pace of progression.

But then at your institution, let's say he doesn't do so well. He takes 24 credits in his first year and only successfully completes 12 of them. So his pace at your institution is 12 over 24, which is 50 percent. If we take his cumulative pace, adding in his transfer pace, he has a total of 52 successfully earned credits, divided by 64 attempted credits, so he is at 81 percent. So he has met the required pace of 67 percent for 150 percent maximum timeframe. Does that make sense? Go ahead.

Audience: What about if they have attempted 60 credits and only were able to transfer 40 credit –

[Crosstalk]

Female: Well, that's a good question. He said, "What if they attempted 60 at another school, but my school is only accepting 40 of them?" You can say – and this is your policy decision at your institution – you can say that I'm going to look at the academic transcript from that previous school. And even though we are only accepting 40 toward the degree, we're gonna say that you have attempted 60. And so he's gonna walk in the door with 40/60 as opposed to 40/40.

You're registration or your admission system may not put all 60 of those on the student's record. They may only accept the 40, but for direct loan purposes can specifically say, "I am counting all credits that you have attempted at any other school, even if we don't count them toward the degree." And many domestic schools have decided to do that because they think that it's a more fair picture of what the student actually did prior to coming to their

school, and that's a choice that you can make. Thank you for asking that. That was a good question.

Audience: Does that also apply to a second bachelor's degree?

Female: A second bachelor's degree would be similar. If the student is getting a second bachelor's degree there are probably some credits from the first one that you would accept toward the second one. So you have to decide how you want to treat that student for purpose sort of a maximum timeframe. Let's say it's 120 credit degree program and you're accepting 60. Well, are you going to give him 150 percent of the 60 that he still needs, or are you going to look at the total he attempted at the other school which maybe was 90, and even though you're only accepting 60, look at the 90 as attempted?

So it really is up to you in the case of a transfer or a student seeking a second program how you want to look at it. And it doesn't have to be the same way as your registrar or your admissions department looks at it, okay? Just make sure it's very clear in the policy that you have for the direct loan students that this is what we do for your academic progress for direct loan eligibility.

Do your schools have remedial or developmental coursework that students sometimes a need to take? Maybe their language skills are not where they should be or their math skills are not where they should be? The regulation limits the amount of remedial or developmental coursework that direct loan may pay for. It is limited to 30 semester credit hours or 45 quarter credit hours, or 900 clock hours. We don't require that the grades for remedial coursework or developmental coursework count toward the students' overall quality or progress. But we do require that you at least make sure when a student is taking remedial or developmental courses that he or she is passing them.

Now you had mentioned that everything at your school is pass/fail. In the US, many times the developmental or remedial courses are pass/fail, but the regular course are graded specifically. So we would say they don't get a grade for that developmental course, but you do need to at least make sure when you're checking their progress that they are passing it. 'Cause if they're failing the developmental or remedial courses, that is going to impact their ability to continue successfully in your program.

Whether or not you count those remedial or developmental hours

toward the total attempted hours that are needed for the program is up to you. I would guess at most schools that the remedial credits don't specifically count toward the degree. If the bachelor's degree requires 120 credits and you tell a student that, "You have to take 20 credits of remedial math," that's probably on top of the 120 that he needs to get the degree. So I would say probably most schools would not count the remedial or the developmental courses toward the student's maximum timeframe because they are above and beyond to help that student get to the appropriate level.

Okay. Some terminology that we put in our regulations that we had never done before. Financial aid warning, appeal, financial aid probation, and academic plan if you use these terms in your direct loan satisfactory academic progress policy, you do need to make sure that the definition of the term at your school matches the definition in our registration. So let's look at financial aid warning first.

For those of you that choose to check academic progress at the end of every term or payment period, when a student is reviewed and you determine that he or she is not making progress, either not at the appropriate pace percentage or the quality or grades for their courses is not at the appropriate level, you would notify the student that he has failed the progress check, and is ineligible to continue receiving direct loan, but you have the option to say, "But we are going to allow you one period of a financial aid warning to get yourself back on track. And we will allow you to receive a direct loan for that one period, that one term." The student doesn't have to do any special action to get given the warning status. It is something that you can choose to do as a school that checks progress every single term. So the student does receive direct loan money during that term. Yes.

Audience: When does your _____ school year is like –

Female: I really can't hear you. Could I ask you to get up and use the mike, please?

Audience: So at this time, when will be the semester that –

Female: Well, let's say that it's the fall semester, which I guess we are in now, right, in the fall semester and the end of this semester, you review the student's progress and his grades are below the acceptable level. So then the very next term that he attends, which will probably start in January or February, you would say, "Technically, this student is ineligible for direct loan, but we are

going to allow him to get a loan this spring semester based on financial aid warning.”

Audience: That’s fine. And what about if it’s like the end of the academic year?

Female: It’s the end of the academic year, you can take the warning to the next term that the student begins, whether that’s summer or m b that’s not until after summer.

Audience: Thank you. Thanks.

Female: Okay? You don’t have to have a financial aid warning if you don’t choose to. And, again, it’s only allowed at schools that do check progress at e end of every term, including summer. For those of you that either do not opt to use the warning or don’t check progress at the end of every term, but only annually, when a student fails to meet satisfactory academic progress that student is allowed to appeal his loss of direct loan eligibility. So you would notify the student that due to his failure to meet the progress standards, he has lost his direct loan eligibility and he can appeal his loss of eligibility. Essentially, the student petitions for a reconsideration. And the regulation requires that the student explain his petition why he filed to make the satisfactory progress standard and what has now changed that will allow him to do better?

For example, maybe it was a student who has small children and because of having daycare issue. She couldn’t attend class on a regular basis, and, therefore during the semester, she did poorly because she wasn’t in class. So she loses her direct loan eligibility and she comes to you and says, “Well, I have two little children and I had daycare issues and that’s why I couldn’t go to class.” So you say, “Okay, well, what has changed in that situation that’s gonna allow you to go to class in the next term?”

And she says, “Well, my mother moved in with me, and my mother’s going to take care of my children while I’m at school.” So she has a resolution to the problem that seems reasonable that would allow her to then continue in school. That’s a pretty basic example. Some of them may be a little bit more complicated than that. But the student does need to explain why they didn’t accomplish what they needed to and what is going to allow them now to make that change. And then you decide whether or not that appeal and that reasoning is sufficient for the students direct loan eligibility to be reinstated. You can say, “I’m really sorry, but at

this point, I don't think that you're ready to continue, and, therefore, we're not going to reinstate your eligibility.

Now the appeal process can be done a number of ways. It can be done where the student just petitions to you a particular individual. I would definitely suggest that it be in writing, but it could be to a specific individual. It could be to a group of staff members, to a committee. Many US schools actually use other financial aid students on that appeal committee so they evaluate their other students and they kinda have a different perspective when they're looking at it then we would have at that. So you decide who you want to set up your appeal process and who the student is actually petition what the timeframe is, all of that, and make sure that that's explained to the students.

If you determine that the student's appeal is reasonable, and you are going to approve it, what you are saying then is that, "I am going to allow this student to receive direct loan for one more term, or one more payment period based on his appeal. And at the end of that semester or quarter, he will have risen to the satisfactory progress standard." So it has to be mathematically possible that he can raise his grades to acceptable level within that one term, or he can achieve successfully enough credits to get back to his 67 percent pace of progression within that one term. Yes.

Audience: Are students told when they apply and approved for financial aid that we are able to annually check on their grades and that we're able to take away their funds if they don't maintain that _____ initially before even getting **loans**?

Female: Okay. She's asking if students are told before they come to you that there is a satisfactory progress requirement and that the school has the authority to take away their direct loan eligibility. It is information that is provided on our publications and on our websites, but, honestly, we would expect that when the student comes to you to apply for a direct loan, you are providing them with the standards and letting them know that this is the way it works. You have to do X, Y, and Z in order to continue your eligibility, and if you don't, then the eligibility is removed. Yes.

Audience: It's not part of entrance counseling, or could it become part of it?

Female: It absolutely could become part of entrance counseling. It's not – in the domestic schools, it's not specifically loan related and entrance counseling is only for loans, so it doesn't necessarily fit there in the domestic schools. But with you, because a direct loan

is the only financial aid program that you have of ours, you could absolutely include it in the entrance counseling. That would work just fine. Most schools have a policy written that's either publicized on a website or in brochure or a pamphlet that you would hand a student if, for example, do you have something where a student walks in and says, "You know, I'm interested in possibly applying for a direct loan. Do you have any information?" So you have maybe a booklet that you hand them, or you refer them to a particular link on your Web page, and you should have the satisfactory progress information included there, but also as part of entrance counseling to reiterate it is a perfect opportunity. Yes.

Audience: *[Inaudible comment]*

Female: Yeah, please.

Audience: We just want to know how many appeals that we can do. In Ontario, a student may appeal on the grounds for one term, and then find a resolution and that issue is taken care of, but then have another situation.

Female: Absolutely, yeah. And that really is your decision. You can actually say – do I have this on the next slide? Yes. You're not actually required to have an appeal process. So that means that if you have one, you can limit the number of times a student can appeal. For example, my student who had the daycare issues, she appeals. Her mother moves in with her, so that resolves her premium, so you reinstate her eligibility, and then the next semester, she has transportation issues. So even though mom is there taking care of the children, she's still not getting to class.

Are you going to allow her to appeal again and explain her transportation issues and how those were resolved, or are you going to say, "I'm really sorry, but your direct loan eligibility is done because you've failed to meet the progress policy"? And that is a choice that you have, and it should be consistent. You should say for all students, "You're allowed to have a maximum of three appeals during your time here," or, "You're allowed to have a maximum of six appeals during time here." And it may very well happen that way that every term there is something different that pops up that creates issues for the student, so it really is up to you to make that decision.

If you do not allow an appeal process, meaning the student cannot petition their loss of direct loan eligibility, you must have

something in place for the student to regain their eligibility in another way. For example, maybe the student is doing poorly at your institution and you've decided that the direct loan is not going to be available because they're failing to many of their courses. How can they prove to you that they can do better, that they can resolve their issue.

If they can't appeal to you for reinstatement, "Maybe your resolution is you need to go to school without direct loan money, finance it yourself and prove to me that you can pass six courses successfully," or maybe you wanna say, "Maybe you need to go to a community college back home in the United States and successfully pass X number of courses to prove to me that you can do this. And then when you come back, then we'll talk about the reinstatement of aid." So you can require something be done without the benefit of direct loan in order to have the student show you that the situation is resolved.

Financial aid probation is that term that you have given to the student after his or her appeal is approved. It's that one semester after you've approved the appeal or that one term during which you believe this student is going to be able to right the problem. He's going to increase his grade average, or he's going to get back to the overall 67 percent pace of progression. He does receive direct loan during that probationary term. Probation can only be for one term. It cannot be for multiple terms. So if at the end of the probationary period the students still didn't do what needed to be done. The student's probation ends and it's up to you whether there is another appeal put in or whether there is another alternative that the student needs to do to show that his issues are resolved.

You can require whatever specific conditions you want to require during a warning or a probation. You may limit the number of courses a student may take during that period. You may require a specific grade be achieved in those courses during that period. It's totally and completely up to you what you require of the student for him or her to prove to you that they have resolved their issues. And we suggest really that it's kind of like a contract with the student that the student actually sits down with you and we go over this and maybe even have them sign something that says, "I agree that my grades are poor. This is how I've resolved my issue. And now this term, I'm going to take these four courses and I'm going to successfully pass all four of them, and that will show that I'm back on track and I can do this." But how you set that up with each student is up to you.

If you have a student whose appeal you have approved, but you know that one term is not enough time for him or her to raise his standard. Maybe his grade point average is low enough that he's not gonna be able to get to the satisfactory level at the end of one semester. You can still approve his appeal, but grant him a probation with an academic plan. For example, let's take a student and many times you know this happens here in the US, the student has been to so many schools and changed their mind about what they wanna study so many times that they're already beyond the 150 percent.

They've already gotten money for more time than is 150 percent of their maximum timeframe. Well, the student really can't fix that because those courses have been attempted. Grades, you can fix because you can do better and your grades will increase. But once you've taken the courses, they're there, and the 150 percent cannot be reversed. But what you can do is say to the student, "Okay. The idea here is to get you this degree. Let's look at what specifically you need to take in order to complete this program."

"And even though you're already past the 150 percent, we're going to allow you, based on your appeal to take the specific courses that you need to graduate, and we're going to allow direct loan money for those courses. But that's all direct loan's going to pay for. So there aren't going to be any extracurricular courses like tennis or swimming or anything like that. If you're getting a degree in chemistry, we're gonna take the exact courses that the academic department has determined you need to finish your degree in chemistry." And you can plan it out for the student. You can work with the academic department to say, "Okay, this is gonna take three semesters, and here's what we're gonna do in the first semester. Here's what we're gonna do in the second, and here's what we're gonna do in the third."

"So you're technically on an academic plan because there's no way that you can meet the satisfactory progress standard. So we're going to set one up specifically for you." We don't want to dismiss students from school and say, "I'm sorry. You just can't get an education. You can't complete your program." We want to work with them to allow them to get to that point. So it's gonna take three terms, but if you do it on this plan, take these courses in this term and achieve these grades along the way, we will allow you to continue to receive direct loan for those courses and at the end of that, you'll be graduated. So that's an idea of how you can make it work. And you decide, and it probably depends on the

cooperation within your institution, whether academic advisors and counselors are involved in that partner.

I know there's a very large school here in the United States that whenever a student fails the satisfactory academic progress standard, the academic advisor is actually notified as has told, "You need to meet with this student because he has lost his financial aid eligibility and you need to meet with this student to figure out what he can do to get back on track and reinstate his financial aid eligibility." So the academic side of the house has bought into the whole satisfactory progress policy. But that's an institutional decision as to how widespread the process is and who gets involved in it. It may just be you sitting there by yourself trying to make the student get back on track and figure out a way to do it, but I think probably the more cooperative you have from within the institution, the better it is for the student.

Okay. So after a financial aid warning – and, again, this is just for schools that check progress at the end of every term, it's one-term warning. It's an ineligible status during which we're allowing direct loan to be paid because the student is going to fix the problems that he or she has had at the end of that warning term, and, again, be in compliance with the satisfactory progress standard, or the warning period is not enough for the student to raise his grades to the appropriate level, so it is a time period for him to put together an appeal or a petition so that at end of that warning time, he is ready to come to you and ask for additional time in a probation or an academic plan.

Student cannot have two consecutive warning terms. So if he doesn't make progress at the end of the first warning term, he must go to the appeal or to the alternative that you have beside and appeal proc. You can't just continue the warning and say, "Okay, you keep doing this for another term." No, at the end of this warning now, "We need to sit down and talk about this. This is serious. What was the problem and what are you gonna do to fix it?"

Financial aid probation is similar in that it can only be one term. It cannot extend for more than one term. And at the end of it, assuming that you approve the appeal, if you give the student one term of probation, that mean that you expect this student to fix his issues during that term, and at the end of that term, to, again, be in compliance with the satisfactory progress standard.

If you know before the term starts – and my example of the

maximum timeframe, that that's not going to happen in one term, you put them on probation with an academic plan, and that extends for multiple terms. And so we know the student isn't going to get back in compliance with the satisfactory progress standard at the end of one term, but because we have a plan laid out for the future, we don't need another appeal. As long as he sticks to the plan and does what we have said we expect him to do, he will continue to be direct loan eligible without having to appeal again.

But, again, without the plan, there cannot be consecutive terms without an appeal, so if there's no plan involved at end of that one term of probation, he must have begun his compliance with the SAP standard again.

And, of course, it just make sense that students would be notified at any time when their academic progress affects their direct loan eligibility, and you may do that by sending an e-mail, sending a written notice, setting an appointment with the student, whatever means you feel is appropriate to let students know that. Yes.

Audience: We send records of this information _____?

Female: One more time, please.

Audience: I'm asking if a written record of this correspondence with students will be _____.

Female: She's asking about documentation for an auditor. For audit purposes, as far as satisfactory progress goes, you have to be able to show this is our satisfactory progress policy, and then you have to be able to show that you've implemented it. They're going to look at students' grades, and if student doesn't have a passing grade average, they're going to look to see what you did with that student, where is his appeal? How was he notified he was on probation? What are the terms of his academic plan?

So you have to be able to show that the plan was implemented and applied consistently. And however you document that for an auditor is what they're going to look for. If you send e-mails to notify students, then maybe you have a sample e-mail and you can show how your system is set up so that the e-mail is generated at a given point. They just want to see that you have the policy and you are applying it to all of the applicable students.

And that is satisfactory academic progress. Any other questions, concerns that you have? Yes.

Audience: I have a question. If I have a student who's _____ academic progress in a particular career, for example, he's studying engineering. And then he changes his major to business administration, then how are we going to measure his –?

Female: Okay. That's a good question. That's similar to the transfer example. Student changes his major. He starts in engineering, and it's just not working. He's not able to pass the courses successfully. So he decides at that point that he's going to become a journalism major and he's gonna write newspaper or whatever that is, and he would be better able to handle that. So, again, remember we said that satisfactory progress is cumulative. So his entire enrollment at your school counts. So let's say he went to school for two terms as an engineering major, and his grades are very, very low. Now he's going to change to journalism. You need to decide as part of your policy how those engineering courses are going to impact his time and his quality of grades for the journalism program.

You can say, "Because your grades are low in engineering, we're not going to accept any of those credits that you took at all toward the journalism degree. So we're going to start you out brand new with a totally new maximum timeframe based on the journalism degree," or you can say, "You took 36 credits in the engineering program. Even though you didn't successfully pass them, that was part of your enrollment at this institution and, therefore, we are going to count those toward your maximum timeframe for your engineering degree."

Or you can go somewhere in the middle and you can say, "You took 36 credits toward your engineering degree, and we're gonna take 10 of them because the 10 were basic language and mathematics, and you passed those. So we're gonna take those 10 and we're going to count those ten toward you engineering degree, but we're gonna discount the other 26." But, again, you need, just like with the transfer student, you need to have a policy that explains to students if they change their major, how is that going to impact their grades, and how is that going to impact their maximum timeframe. Okay?

Audience: _____ the same case, that he started with the financial aid.

Female: Right. He started with the financial aid for engineering, and then because he did poorly, when you reviewed his satisfactory academic progress, he lost his direct loan eligibility. So his

resolution, his appeal says, “I’ve decided that I can’t handle the engineering courses, so the way I’m going to resolve this is I’m going to change my major and I’m going to become a journalism major, and I think I’m better able to do successfully in those course,” and then you determine whether his direct loan eligibility will continue. That’s your decision. Yes.

Audience: Are Plus loans included in the _____ program?

Female: Plus loans are, yes, absolutely included in academic progress. Yeah. Subsidized, unsubsidized, and not Parent Plus.

Audience: *[Inaudible comment]*

Female: Wait. No. Let me say that again. Subsidized, unsubsidized and Plus loans are counted for purposes of whether or not the student received direct loan eligibility. If the student is failing satisfactory progress standard, the parent cannot borrow the Parent Plus for that student. The graduate student cannot borrow the Plus loan for his or herself. So it absolutely counts.

Audience: *[Inaudible comment]*

Female: Any other questions anyone has? Yes.

Audience: If a student fails his year, but never returns to our school, should we still be advising them they ineligible because we have no way to control it, no way for us to –

Female: Oh, that’s a good question. She said, “The student goes to our school,” for a year and fails the satisfactory academic progress, and chooses to leave your school. Well, at that point then your tie to that student is gone. So you would probably send the student a notification that says, “Based on your performance in this last year, you are no longer eligible for direct loans at our school. If you want to continue at our school, here is what you need to do.”

But if he decides to go to another school and then that really has no impact on him because his loss of eligibility at your school doesn’t automatically carry over to another school. They may look at his grade transcripts from your school and say, “Well, you didn’t do very well, and we’re gonna count that toward your progress here,” but what are or not he’s direct loan eligible there isn’t contingent on what he was at your school. Okay? Anything else anyone has? Yes.

Audience: I don't have one, but in terms of the appeal process is there any guidance in terms of timing? For example, if after the end of the fall semester going into the spring, they're going to have to appeal so they _____ potentially ineligible. For that spring semester, can they get their aid?

Female: That's an interesting issue. She's asking about between the fall and spring term, the student is not making satisfactory progress at the end of the fall term. So you notify him that in order to continue to receive aid for spring, he has to appeal. You need to set a timeframe, and it may be the break for the holiday is only three weeks, but you're not at work just, like the student is not at school, so maybe your timeframe is gonna be within the first two weeks of the beginning of the spring semester, "You need to have your appeal submitted," and then it's going to be a timing issue for you 'cause you don't want the student to begin the term and go for a good number classes and then all of a sudden find out that he's not going to be able to afford to pay for it because the direct loan money is not available. So you need to make that decision.

Now if you're checking progress every term, then the warning option works really well between fall and spring. You check progress at the end of fall, the student's not eligible. He doesn't have to appeal to get the warning. He can just automatically be placed on the warning status for spring, and that point still be receiving direct loan and in communication with you about his future, whether he's going to have to appeal and what that's going to involve. Does that help?

Audience: Yeah. So let's say you have a financial aid warning, but you don't have the appeal process. After that –

Female: Warning period.

Audience: Warning period.

Female: If you have a financial aid warning period, but you don't have an appeal process, at the end of that warning period if the student has not successfully come up to the satisfactory progress standard, his direct loan eligibility is gone and you would at that point have to say, "You need to go to school without direct loan and prove to me that you can do this, or you need to go somewhere else and take X number of courses and prove to me that you can do this, but direct loan eligibility here right now is over." And that's okay. That can absolutely be the way you handle it if you want to. But they need to know that there is light at end of the tunnel, that if they do

something, they can possibly come back to you at a future point and receive a direct loan if they can prove that they can handle it at another institution or at your institutions. Yes.

Audience: _____ probation period _____ and then _____ suspension for the next semester?

Female: Did it used to be called a suspension? We never technology used t term “suspension.” Many institutions use that term, and many will still do that. The period when the student has lost eligibility, they will say to the student, “You’re financial aid eligibility is suspended, and this is what you need to do. You need to appeal to get a period of probation,” or, “Your financial aid eligibility is suspended, but we are going to put in a warning status for one term to try to get yourself back on track.” So we don’t specifically use the term “suspension.” It’s totally up to you whether you whatnot to throw that in the mix. You can just say, “Your eligibility is lost. Your energy is denied.”

Audience: _____ fall semester _____ grade and so _____ timeframe –

Female: Okay. She said that in the fall semester, the student didn’t make the grade, so a letter was sent to the student where the student only had ten days to be in communication with you?

Audience: No, he just – I thought we had ten days to get that letter, too.

Female: No, there is no specific timeframe on when you have to get the notification to the student. It makes sense that you would do I it as soon as possible for a student who’s losing eligibility, because if they’re planning to continue in the next term, they need to know that right then, and they need to take the steps they need to take in order to possibly reinstate their direct loan eligibility. But our recognitions don’t specify a timeframe. And maybe between fall and spring you have much tighter timeframe than you do between spring and fall because they have the whole summer maybe to work it out there. So we don’t specify number of days. It just needs to be reasonable and appropriate for the student so that he or she does have the opportunity to get a reconsideration.

Audience: Could you tell me if there’s any rules where it says that schools are supposed to _____?

Female: Does it say specifically in the rules that the school’s responsible for making its own policy? It says that the school is required to have a satisfactory academic progress policy. I don’t think it says

the school – I don't think it uses the term "create" or, "make," but it does say the school is required to have one. Yes.

Audience: I'm sorry. How many days do we have to report to you that a student _____ pass?

Female: Oh, as far as satisfactory progress reviews, you don't have to report those to us. That's an internal – between you and your student. That would happen, of course, is if the student leaves school because of the satisfactory progress failure, you would report that to NSLDS I their enrollment status to let us know they're no longer in school. But if you put a student on warning or if you put a student on probation, that is not something that you need to let us know about. Yes.

Audience: *[Inaudible comment]*

Female: We define a clock out is a 60-minute period of time during which there is at least 50 minutes of instruction or examination. So it's actual classroom time. Yes.

Audience: If a student was in a status of _____ and could they have just one term or would they have maybe _____ entire academic year –?

Female: The warning and the probation are both limited to one term, and that's the issue that a lot of school are having because many schools have used those warning and probation periods in the past and made them an entire academic year and students have kind of got into that pattern. "Well, I can have a warning for a whole year and I'm okay." The department said that essentially what we're doing is we're giving money to students who really aren't eligible in that category, so, therefore, we're limiting it to that on particular term. So you give 'em the one term of warning and they either resolve their issues or at that point they appeal or do whatever the next step is, but the warning cannot continue. The one term of probation, at that point they've either resolved their issues or they have to appeal again, or you've put them on an academic plan. Yes.

Audience: *[Inaudible comment]*

Female: Course runs for the entire year and there is no grade at end of the fall term. Is that the student's entire course of study or just a particular class that does that?

Audience: Most _____ for eight months, so –

Female: Courses last for the whole eight months.

Audience: *[Inaudible comment]*

Female: Then you're not really going to be able to evaluate progress until the end of the eight-month period 'cause you're not going to have the information.

Audience: *[Inaudible comment]*

Female: You do have terms, though, semesters or quarters?

Audience: Not – _____ not really like – _____ from September to April, but _____ courses that just run September to _____ or January to April. But there's courses that also _____ have a combination of all of it. We're not really semester _____.

Female: And so you disperse direct loans twice during an eight-month period?

Audience: Yeah, in September and January.

Female: Can we talk on the side?

Audience: Yeah.

Female: Okay. 'Cause I wanna make sure I understand the process. Anyone else have anything else? Yes.

Audience: *[Inaudible comment]*

Female: Two semesters in one academic year.

Audience: _____ and the students _____.

Female: The students –?

Audience: *[Inaudible comment]*.

Female: So the students are graded at the end of each semester, right. So in that instance then you can check progress at the end of each semester, because you have grades to look at.

Audience: So _____.

Female: Or you could choose to just say, “We’re only going to do it at the end of the spring or the winter term. We’re not going to do it over the holiday time.” That’s up to you.

Audience: I think _____ experience _____ get results once a year, so it would be interesting to know –

Female: Okay, then I’ll go back to that. She said the situation where the students are only graded once a year, at the end. So you have an eight-month academic year and many of the courses actually last the entire eight months, so there’s no grade at the halfway point. What we would say is that it’s not a term calendar, but it is a – the way I’m thinking is it is a non-term calendar.

So your academic year is defined as an eight-month period that starts on September 10th, and ends on May 7th, maybe. And during that time, the student takes X number of credits. And what you’re doing is you’re dispersing the direct loan, not on a term clarification, but based on the student’s progress. So you do the first direct loan disbursement at the beginning.

The second disbursement is not then made until the student has reached the calendar midpoint of that eight months, and you can document that the student has successfully completed half of the coursework. Even if there are no exams or grades an instructor should be able to at least give you an indication that the student is progressing satisfactorily, and then at that point, the second disbursement be made. So it’s not a term-based calendar, but it’s a non-term scenario, and we count the weeks and the students’ progress in the middle in order to make the second disbursement.

Does that sound like what anybody does, or does everybody kind of disburse on a term calendar? If you need to – if you wanna talk about the non-term scenario, I’ll be more than happy to meet with you and talk about that if you think that that’s where you fit. Anyone else? Yes.

Audience: Yes, I do have a question. I have a student in my school who made her bachelor’s degree program for four or five years. But then – and they received direct loan. But then they want to make a master’s program. Do you have to count for the timeframe, the 150 percent for that master’s program?

Female: Okay. She said she has students who get a bachelor’s degree at her school and they’ve received direct loans for that. And then once they receive the bachelor’s degree, they wanna continue in the

master's degree. The master's degree is a totally separate program. So that has a totally separate satisfactory academic progress policy, and that's treated separately. So, yeah, so it's two totally separate programs so they're treated totally separate.

Audience: And how about if they complete one master's program, but then they want to make another one.

Female: And that may happen that the student completes one bachelor's program and wants a second, or completes one master's program and wants a second. At that point then, if it's two master's degrees or two bachelor's degrees, there are probably courses from the first one that would apply to the second one. Whereas, from the bachelor's to the master's, they're two different levels. So you have to have a policy of how we're going to look at that second degree.

Are you willing to take some of the credits that were earned from the first degree and count them toward the maximum timeframe and count the grades toward the second degree, or are we going to give the student a fresh start? It needs to be a decision that you make as to how that situation is treated. Transfer students, change of majors, and second programs all fall into a similar category, and you need to really think about do we have a lot of students in this category, and if so, what's the best way to treat them so that everybody's on an equal playing field? Yes.

Audience: Did you say _____?

Female: I will be – yes.

Audience: *[Inaudible comment]*

Female: Yeah, absolutely. There's – actually, I think the resource center, we're going to have six trainers at every hour of the day from 8:00 to 5:00, I believe. So there is absolutely opportunity. If you want to talk to me specifically, I'll be glad to set up a time for you to do that as well. But don't be afraid to ask any one of us in the resource center. We'd be more than happy to help you. Any other questions, concerns?

Okay. Well, thank you very much. I appreciate your time and your attention.

[Laughter]

[End of Audio]