

*Mike Stein:*

Like I said, my name is Mike Stein. I do work with the foreign schools team. I've been with them for a little over a year. Prior to that, I worked with a student loan guarantor for about ten years primarily in the area of default prevention. So, like financial literacy, default protection, that type of thing.

We have three very important topics we'd like to go over today. The topics that I will be covering are pretty much review. Definition of eligibility requirements and eligibility procedures. These are things that were impacted by the rules that were published for foreign schools last November and generally went into effect on July 1.

My colleague, Byron, will introduce himself when he stands up, will be going over consumer disclosure and reporting requirements.

For my part of the presentation what I'd like you to focus on are really two different items. One, what is the new definition of a foreign institution.

How has that changed and does it or will it impact your institution, and, two, when we talk about supporting documents, these are the documents that you send in whenever you fill out an eligibility application. What is actually required and keep that in mind the next time you actually fill out an eligibility application. We'll talk about why that is when we get to that part.

So what is a foreign institution? How does the department define a foreign institution? When we published the new rules last November, the definition of a foreign institution really changed. They've consolidated the definition of a foreign institution. They took bits and pieces from rules that were in different parts of the regulations. They also strengthened and enhanced the definition of a foreign institution to further fulfill the scheme of the Higher Education Act.

So currently, a foreign institution is defined as a school that has no U.S. locations. So it's not in the U.S. It's not located in a state, except for clinical training sites for medical, veterinarian and nursing schools.

What you'll hear during the course of this presentation is that there are a lot of different exceptions for foreign nursing that in medical schools, a lot of different requirements. We won't be going into a lot of detail with those. There is another session, Session 28 I

believe it is, that does go over all of the details for a foreign med, vet or nursing school. So if you are one of those schools, please be sure to attend that.

It also has no written arrangements with a U.S. institution for students enrolled at your institution to take courses from institutions in the U.S. and generally does not permit students to take any course offered by the foreign institution in the U.S., including research, internship, externship or special studies with one exception. Does anybody know what that exception is? Anybody? Anybody? No? How about – sorry – over here.

*Female:* Exchange program.

*Mike Stein:* Exchange program? No, not an exchange program. A PhD student who – sorry.

*Male:* \_\_\_\_\_.

*Mike Stein:* Right. So a PhD student who is doing the research component. They're doing individual research under the supervision of faculty and it can only be done at a facility in the U.S. and that's for one academic year. So that's a pretty specific exception.

Here is an area that the definition of a foreign institution has really changed and has impacted some schools. It has to be legally authorized by the Education Ministry, Council or equivalent agency of the country in which the institution is located to provide post-secondary education and the degrees and credentials that it awards are officially recognized by the country.

Now for many schools, this isn't really gonna impact you. However, we are finding that there are some groups of schools that this does impact and it's primarily schools that are operating or open a main campus. Their base of operation is located in a country other than their home country.

So, let's say I'm a Canadian school and I decide to open up a location or a main campus in Mexico or I'm a UK school and I decide I wanna open up a school in France. Well, you have to make sure that you're legally authorized by the education ministry or council of that country that's not your home country to provide that post-secondary education and award degrees that are recognized.

The other group of schools that were finding this impacts are some countries have different rules governing different sectors of higher education. So you might have your public sector and then you might have say your private sector. The private sector may be subject to different rules and regulations according to your own home country's laws. So we just have to take a closer look at the situation in your legal authorization document to make sure that you meet the definition of a foreign institution.

When you are providing proof that you are legally authorized, you can submit it by school, which is how we've always done it or you can submit a list of schools that are legally authorized in the entire country.

So the education ministry can provide a list of all the schools that meet this definition or within a certain jurisdiction. So if you're a federally organized country and you have states or cantons or things like that. Any sort of other jurisdiction that's not country wide, we can accept a list of schools within that jurisdiction that are legally authorized.

So once you meet the definition of a foreign institution, you have to be eligible to apply to participate in the federal direct loan program. To do that you have to be deemed comparable to a higher education institute in the United States. Those rules state that you must be non-profit or a public institution or if you're a med, vet or nursing school, you're allowed to be a for-profit school.

And can admit only students who have a secondary school diploma or equivalent of a secondary school diploma. So no mature students would be eligible for financial aid. All those schools that you admit based on the wisdom of their years would not be eligible.

You have to provide at least one eligible program that leads to a degree that is equivalent to an associate's, bachelor's, master's or professional degree or is at least a two-year academic program that is fully transferrable to a baccalaureate degree or that is at least one academic year training program that prepares students for gainful employment. Of course for all foreign schools that program would be subject to the new gainful employment rules, which there are plenty of sessions to attend and I recommend that you do so.

One big change with the regulations that were published last November and go into effect July 1 is that previously a foreign

school could have a written arrangement with another ineligible institution, say within your own country or a foreign country that provided up to 25 percent of that program.

Now going forward as of July 1, foreign schools are not allowed to have any written arrangements with ineligible institutions to provide any part of that program. Again, except there's some exceptions for foreign med, vet and nursing.

One rule that's been in the books for awhile is that a school cannot provide instruction by telecommunication or distance learning and does not pay incentive compensation to persons or entities engaged in recruitment activities or the rewarding for financial aid.

So that's the definition of the foreign institution and a review of some of the changes that went in place last November and took effect on July 1.

So now we'll spend just a brief amount of time talking about eligibility procedures. So where does a school go if they want to apply to participate in the Title IV program or to recertify their eligibility? Does anybody? There ya' go.

*Female:* \_\_\_\_\_.

*Mike Stein:* What's that?

*Female:* \_\_\_\_\_.

*Mike Stein:* Sure. If you're a school and you wanna apply to participate in a Title IV program or you're participating and you wanna apply to have that participation recertified, where do you go?

?: \_\_\_\_\_.

*Mike Stein:* E-App, Eligacert.ed.gov. What's the first thing that you do? What's the first thing you do when you open up that E-App? Other than stare and go, "I cannot remember my password or my user name." I call foreign schools. What's the first thing? Then you yell and stamp because it's locked.

?: \_\_\_\_\_.

*Mike Stein:* Yeah, that, too. We'll just get that out of the way. What's the first question?

*Male:* \_\_\_\_\_ wanna do. \_\_\_\_\_ application.

*Mike Stein:* Yep. Select your application purpose. So that's the first question. The eligibility procedures state that you go to the E-App and you select your reason for your eligibility action. It could be that you're a new school that's brand new. You're interested in participating.

You have some American students that are just banging on your door saying, "You need to get signed up. You need to get signed up." Or you could be a school that has participated for a number of years and your recertification, your PPA, has expired or will expire soon and you need to have your participation recertified.

One area I want you to focus on is these updates. The regulations do state that any time there's a major change, so you change your name, maybe your financial aid director changes, your president or CEO changes, the regulations state that we need to be noticed through the E-App within ten business days. That doesn't always happen, but just keep that in mind going forward.

Supporting documentation. I did wanna highlight this because of all the applications that we receive in a year, initials, recertifications, reinstatements, updates, one of the things that causes a delay in processing these applications is 'cause we don't receive everything we need. Either there's a key part of the supporting documentation that's missing or there could be an error within the application itself.

All schools should be aware that when you fill out an application, every application requires as least a signature page. So your president or CEO, the person in Question 10, needs to sign Section L which has to be sent to us.

If you're a reinstatement or an initial, we need the last two years of your financial statements prepared according to the accounting principles of your home country.

We also need your most recent catalogues. Some schools send us big, thick books. Others send us their catalogues on CDs. But we need those so we can go and look at the programs and determine if there's any programs that may be ineligible according to our rules, among other things.

Of course, the legal authorizations, which is what we talked about in the beginning. We need to make sure that within your home

country you do have all of the proper legal authorizations to operate as a post-secondary institution and award degrees and that those degrees are recognized.

Your SAP and R2T4. So Satisfactory Academic Progress and Return to Title IV. Those are key policies that we look at when we're approving applications.

Then Non-Profit Status Designation is also important. Usually we find that that is missing from the application docket, from the supporting documentations.

Just be aware that ideally that document is gonna come from the tax authority in your country. So whatever government agency that might be. However, sometimes we are allowed to do a little bit of digging and find if your non-profit status is implied based on the law that set your school up; that type of thing.

At the end of the eligibility application when all is said and done, the application's been submitted, it's been approved, you'll have one or all three of these documents and it's important to keep those together for audit purposes and inspection purposes.

So if you're doing a reinstatement or a recert or an initial, you're gonna have a Program Participation Agreement. That's a big, thick document. Signed by the school, countersigned by the department. It spells out the terms and conditions of your participation of the Direct Loan Program.

You'll also have an approval or an acknowledgement letter. A lot of times it will be an approval letter if it's an action recertification or reinstatement, but if it's something simple like changing your school's name or changing an official at the school, you'll just receive an acknowledgement letter from the department.

Then of course the eligibility insert. Yes.

*Female;*

How long does the Department of Education say to make that change \_\_\_\_\_ or \_\_\_\_\_ change your name and I have not received any answer.

*Mike Stein:*

So, for any specific questions like that you're welcome to come ask us at the Foreign Schools Ask A Fed both and we can research specifically what's going on with your situation 'cause there's no way to know what might be happening, but again, it's really gonna

be dependent on whether or not we have all the supporting documentation.

I think probably upwards of 90 percent of the applications we get are missing some or many of the documents and that's what often takes the longest, especially when you're dealing with time zone differences, potential language differences, different countries, governments are more responsive than others if you have to go to their education department to get information.

*Female:* In terms of non-profit status, that's just tax \_\_\_\_\_ and how do you know that a country confirms that status if they don't basically do those concepts for taxing \_\_\_\_\_ schools or whatever?

*Mike Stein:* So the definition of non-profit could differ by country. I believe the way the regulations state is it's a tax authority that's been recognized or approved by the secretary to confer that decision or sometimes we, like I mentioned earlier, we do research into the legal authorization documents. A lot of times they'll tell you that a school has to be non-profit, but basically it's a status conferred upon a school where there's no profit conferred upon any individual or shareholders is the general definition. Any other questions?

*Female:* In filling out the application, I found this interesting when I \_\_\_\_\_ the application. So I'm filling it out and then I wanted to print it. When I printed it and went back and compared it, questions were different on the printout from the application.

*Mike Stein:* That is not a situation I've – did you change the purpose? 'Cause that is one way that could –

*Female:* -- \_\_\_\_\_.

*Mike Stein:* Okay.

*Female:* \_\_\_\_\_ question number, when I printed it totally – not totally, but the meaning was very different from when I answered online in the actual application.

*Mike Stein:* Has anyone else experienced that? That's not a situation I've heard before. A couple of people.

*Male:* It was a transitional issue this year. I'm not sure if it's been fixed, but it wasn't exclusive to foreign schools.

*Mike Stein:* And it has since been fixed?

*Male:* I don't know, but I know \_\_\_\_\_ schools in the United States have had similar experiences. Right around summertime when the changes were going into effect for program approvals for \_\_\_\_\_.

*Mike Stein:* Okay.

*Female:* I'm just gonna hand this to people who have questions.

*Mike Stein:* Okay. Again, if you have specific situations like that you can come see us at the booth and we'll look into your individual situation and see what if anything that we can do. There was a question in the back.

*Female:* Back to that question about the approval of acknowledgement letters. What's the typical turnaround time?

*Mike Stein:* The typical turnaround time? It varies. We try to get it done within four months, but it really does vary from the time that the application has been open and reviewed, but again like I mentioned, there was someone else asked that same question about how long it takes. A lot of it really does depend on if we have all the documentation we need, if the application has been filled out correctly. Sometimes it can take months and months and months. Sometimes it can literally take two weeks if everything is in hand.

*Female:* But if we know it's months and months and months then we don't get worried.

*Mike Stein:* Right. Yes.

*Female:* So if you're just doing an update you don't have to send all of that again, do you?

*Mike Stein:* No. So what you'll wanna do is refer to Section M, which will give you a good idea of what you do need to send in. Some applications, some update applications, that's all you really need is to send in a Section L. For example, if it's an officials and directors change. Any other questions? Yes.

*Female:* \_\_\_\_\_ there's no way it can be all in English. All these documents must be in English? For example, the catalogue of our university. We don't have it in English or the document that says that our university's public funded institution.



It's an act. It's a legal act, a law. It was written in Spanish. Do we have to translate these 20 pages?

*Mike Stein:* Yes, that's a very good question. She asked about the certified English translations. Do all the documents need to be in English. The answer is yes, they do, especially for something like the legal authorization document. What a lot of schools will do is hire a translator or they have some type of translator that can translate that document.

The catalogue can obviously be quite lengthy. If you do not have a catalogue in English, the entire catalogue does not have to be translated into English. Just certain sections, like the ones dealing with the programs of study, any type of refund policy, your admissions policy. So just certain sections have to be translated. Not necessarily the entire catalogue.

*Female:* One more question. Eligibility requirement, you mentioned that the institution does not provide instruction by telecommunications or distance.

*Mike Stein:* Correct.

*Female:* But now a days that's almost impossible. Everybody's using distance education, et cetera. You mean that exclusively. That it's not an institution that only does distance education.

*Mike Stein:* Right.

*Female:* Or if we have a master program that is taught virtually, we couldn't then get students \_\_\_\_\_.

*Barbara Himmel:* Let me talk to you.

*Mike Stein:* This is Barbara Himmel, by the way. She's my supervisor for the foreign schools team.

*Barbara Himmel:* It's I think a very good question as well particularly in light of the comments made by the secretary of our department basically saying that is the way of the future and it's a dynamic way for students to learn, it's cost effective.

However, Congress made a decision that for foreign schools any program that is offered in whole or in part by telecommunications is not eligible.

I think it reflects the congressional consensus that the point of sending our American students overseas is so that they get the benefit of the international educational environment. That they actually sit in the classes with students from other countries and that's the only justification I can think of, but it is a hard and fast rule that we do enforce.

So if you have a particular program you don't have to abolish the program, but you cannot use U.S. funds to give to American students to attend that program.

*Female:* Barbara, can I \_\_\_\_\_ can I just ask that when you're talking about this, could you determine what is program specific, what's institution specific, what's specific to U.S. students only and what's specific to all students.

*Barbara Himmel:* Yes, that's a very good point –

*Female:* -- I think that's one of those things, like does that mean – sorry --  
\_\_\_\_\_ --

*Barbara Himmel:* Distance ed.

*Female:* Distance learning. Is that like your institution couldn't be approved or it's only that you can't allow students \_\_\_\_\_. I think those kind of verifications would be really useful when you talk about this \_\_\_\_\_.

*Barbara Himmel:* Right. So if you are an institution you can offer courses by telecommunication. However, the American students, if they enroll in those programs are not eligible to receive payments because for them it is not a Title IV eligible program. It does not put the institution's eligibility at risk unless it's the only program that's offered because as you recall, the institution has to have at least one eligible program.

*Mike Stein:* Thank you. You can keep holding onto it.

*Female:* Another question.

*Female:* Just following from that, I'm curious about the \_\_\_\_\_ number. Has no written arrangement with ineligible institutions \_\_\_\_\_ eligible programs. Is that only \_\_\_\_\_ institutionally or is that for \_\_\_\_\_ program?

*Barbara Himmel:* That has just come out in a Dear Colleague letter within the last month. It would be specific to the agreement. It would be program specific. Tony, if you disagree, let me know.

*Male:* \_\_\_\_\_.

*Female:* We can't hear questions over here. Can you turn up the volume?  
We can't hear the question

*Barbara Himmel:* Okay. We're gonna have to pull out the Dear Colleague letter that just came out, which prohibits written arrangements with ineligible institutions to determine whether or not it is program specific or whether or not it impacts the institution's at-large eligibility status. I think it's going to depend on the agreement.

*Female:* I just have a question about the written arrangements with American institutions because we do have an institution with whom we have some kind of arrangement for supervision with PhD students and they're asking us about whether any of their PhD students can apply for loans, which they don't at the moment. So I'm a bit confused about the written agreement with the U.S. institution and then the exception of only one year for PhD supervision.

So you're saying they could only do this for one year and be eligible. Is that then institution specific or is it just program specific?

*Mike Stein:* So is the student enrolled at your institution or are they enrolled at the U.S. institution who wants to send them to your institution?

*Female:* No, they're enrolled at our institution. They would be enrolled full-time at our institution. It's just that they may not be full time in country at our institution.

*Mike Stein:* So I would just refer back to what the rule says, which is that in general that student would not be allowed to take courses within the U.S. The specific exemption is of course if it's a PhD student during the dissertation phase for one academic year doing independent research and it can only be done at a facility in the United States. So I don't know how that would impact your –

*Female:* Well we have research students that do three-year full time PhD courses, but this is three years full time research. Not in classes. They're doing full time research. So we have one American student that's just come full time, but we have others that don't

wanna be full time in country, but they wanna be based in the U.S. but still do it. They're still supervised, but basically they're not attending classes because they're doing research full time for three years.

*Barbara Himmel:* Once they go beyond that one-year exception, they're not eligible unfortunately. It goes back again to the Congressional intent of this particular program that they get the international experience by being in country.

*Mike Stein:* Did everyone hear that over here?

*Female:* Just on the one-year PhD student research in the U.S. How is it determined whether the research can only be done in the U.S.? What standard of proof is needed for that?

*Mike Stein:* Could you ask that one more time?

*Female:* The exception for PhD students doing up to one year in the U.S. because they can only do that research in the U.S. How do we prove that they can only do that research in the U.S.?

*Mike Stein:* That's a very good question. I guess we would have to review that on a case-by-case basis. Do you have any other insight, Barbara?

*Barbara Himmel:* I think if you have a letter from their professor stating that this is necessary, you can accept that. Use your professional judgment. That seems reasonable to me. We haven't had cases tested yet, but I would surmise that that would be sufficient. Does that answer your question?

*Female:* Mm-hmm.

*Barbara Himmel:* Does everybody agree that sounds reasonable?

*Mike Stein:* Yep. So I wanna move along just 'cause we're almost finished with this and just remind everyone that there is, of course, an Ask a Fed Foreign Schools. So if you have specific questions you can bring them there. We also have a general Q&A session this evening. Not to ignore anybody that does have questions, but Byron has a lot of material to go over with consumer disclosure and requirements.

Again, with locations in other countries. This just goes back to what I mentioned at the beginning of the presentation, which is that if you do have a location in another country, that location would

have to separately meet the definition of a foreign institution for that other country. So that's something to keep in mind.

Then of course, new gainful employment rules will apply for any program at a for-profit med, vet or nursing school or any public or non-profit, non-degree programs.

There are certain actions that trigger end of participation which we'll just go over quickly. If a school ceases offering educational programs or closes, not something that happens very often, but we have had a couple of schools that have closed.

We also have to monitor international events and make sure if there's any sort of political upheaval or riots, revolution that cause an interruption in classes, we have to monitor that closely 'cause it could end a school's participation.

Or if your PPA expires and you haven't filed a recertification application. Schools can, of course, choose to voluntarily withdraw from the program at any time.

A change in ownership or merger triggers a end of participation, does a change in institution type or if a department revokes your PPA or terminates participation or otherwise denies your recertification application.

Or finally, if a school files for bankruptcy or loses its legal authorization within your home country that would also trigger a loss of participation. With that I would like to turn it over to Byron Scott to go over consumer disclosures and reporting requirements.

*Byron Scott:*

Thank you, Mike. Good morning, everybody. It is a great pleasure for me to be here with you. My name is Byron Scott and I'm a training officer in the Chicago office. I've been with the department for about 20 years, but I've only been a training officer for about a year.

Before that I did program reviews for the Chicago team, reviewed eligibility applications, reviewed financial statements and in a masterpiece of great timing, I started getting involved in training foreign schools just after my colleagues got to fly all over the planet and provide training, but at least I get to come to Las Vegas and talk to you today about consumer information.

I think perhaps the reason I'm doing this is I get to be the bad guy. We're gonna go over a lot of information today about consumer information. It may be shocking to you all the information that we expect you to provide.

So as Mike mentioned, we've got a foreign schools Ask a Fed booth back in Room 304 where you'll be able to go with detailed questions. There'll also be time this evening in this room for another open Q&A.

So we're gonna start by talking about all the information you have to provide. I hope it's not too overwhelming. Every year you have to give a notice to students that there's a lot of consumer information available to you, to them and you have to tell them where they can go and get that.

One of the tools that's gonna help you put all of this together, it's the Foreign Schools Assessments. There's another session about that. We're gonna show you how you can use a tool there to put together all your consumer information requirements, but this means you have to put a notice to students that tells them all the consumer information they can get and where they can get that.

If that information is on your website, you need to give them the exact electronic address where they can find it and tell them that if they ask you'll provide a paper copy. Then you need to let them know who they can contact if they have questions about this information and you're required to provide an annual notice to every enrolled student.

So you need to make available to students all the U.S. federal financial aid programs you participate in, which would be the Direct Loan Program, the general terms and conditions of the Direct Loan Program and the criteria for selecting recipients and determining their award amount.

So what does this mean? For example, as was just talked about, as many of you know, effective next summer, graduate students will lose their eligibility for subsidized loans. So you need to make sure that your consumer information that you make available gets updated so that graduate students know that there's no more subsidized loans available for them.

So that's just an example of the information that you need to make available. You need to tell students what they have to do to apply for federal financial aid for U.S. financial aid. You have to talk.

You notify them about the methods and the frequency of disbursements of aid. This is often done through the award letter or a similar document.

You need to tell them what their rights and responsibilities are if they get federal U.S. financial aid, what do they have to do to keep it and that's where you would introduce them to the satisfactory academic progress requirements.

One of the things, all of this information can be made available electronically. So that's probably a big plus for you. It's not that you're gonna have to ship a big wad of documents to all of your American students. You can make all of this available electronically.

So some of the information you need to make available is information about the loan terms. Now this second bullet, it says, "A statement about enrolling in study abroad." That doesn't mean what you do. That's for American schools that have students going overseas.

The bullet about exit counseling information means you need to let students know that as part of exit counseling, you'll be asking for reference information and that what you will do with that information. Then you need to make available any student loan information that we publish. So you can have links to the Department of Education's loan information.

Exit counseling feels like it's somewhat separate from everything else we're talking about here. You're probably really familiar with the entrance and exit counseling requirements and a lot of this feels very different, but in the assessments we put this in the same kind of bucket where we talk about consumer information, but this is probably information that you're already doing.

Other information you need to disclose is the cost of attendance. So the tuition, books and supplies, room and board, transportation, any other additional costs. This information needs to be readily available to both current and perspective students. This information can be an estimate.

So for example, the average cost for books and supplies for our students is X or the average room and board cost is X. You could also have an average transportation cost. Say the average cost for American students to get here is X.

You also need to make available information about any refund policies that are applicable to students. So that would include the return to Title IV funds or R2T4 requirements, but it would also include an institutional refund policy if you have one or anything that is mandated by your state or your educational association or the ministry of education or anything like that.

If you wanna know more about return to Title IV funds for foreign students for foreign schools, we do have Session 29 that's gonna be in this room tomorrow at 11 and Thursday at 2 where we'll talk more about the return to Title IV funds requirements.

One thing I wanna draw your attention to is that you need to have the procedures for officially withdrawing from the institution. One of the things that we talk about in the return to Title IV funds regulations is we talk about people who officially withdraw and then we also talk about unofficial withdrawals.

So let's say I'd come over to England and I'm going to school and I have a family crisis and I need to leave. Your institution needs to have a way that I can officially withdraw from the school, which means I tell you, "Hey listen, I have to leave." So you need to define what that is and that needs to be in your consumer information.

Some of the other information you need to disclose and make available is information about your academic programs, the names of any accrediting agencies that accredit you or the ministry of education or whoever it is, whatever entity it is in your home country that grants your license to participate.

Another information that you need to make available, you need to annually let students know that they have the right to review their educational records and how they can do that.

If you publish a student directory that's public, for example, here's all the students that we have here this year, you need to make information available to students about what you consider to be directory information.

Then there's something called the Family Educational Rights and Privacy Act, which we in our love of acronyms call FERPA. There are requirements in the regulations that are specified and you need to make students aware of what those requirements are.



Then if you have any institutional policies about vaccines, you need to disclose that. Any services and facilities that you have for people with disabilities, including intellectual disabilities. The terms and conditions under which students receive federal direct loans, any transfer of credit policies.

Notice to loan borrowers that information about their loan will be provided to the National Student Loan data system. In general, the consumer information regulations are found in Part 668 of the regulations in Subpart D as in David. Also, there's information about misrepresentation in Subpart F as in Frank. Again, that's in Part 668 of the regulations.

If you come to the assessment session we're gonna have a hands-on session and you'll be able to go out to the assessments for foreign schools and find this document. It's called Consumer Information Disclosures at a Glance. It's a Word document. It's over 20 pages long, but it's one document that you will be able to share with other people on your campus and say, "Here's what we need to do."

But the good thing is that embedded within that Word document are links to the regulations and the law. So you'll be able to go out and say, okay, what exactly is the regulatory language. I'm sure that's a treat for you to read, especially if English is not your first language 'cause it's challenging enough if it is, but anywhere there working with your attorneys or whoever else, you'll be able to see exactly what's specified in the regulations.

*Female:* \_\_\_\_\_.

*Byron Scott:* It's on the FSA Assessments, which you can find there on the foreign schools homepage on IFAP. The question was where can you find this document.

Now here's some information you may not have realized that we're asking about. These are new consumer information requirements that we're starting to talk about. There are other sessions about consumer information for domestic schools that are here at the conference and in general, most of the requirements that apply to domestic schools for consumer information also apply to you as foreign schools.

So some of the new information that you need to disclose has to do with what's called a retention rate. That means if they start, how many of them come back. So you're required to report or have

available the retention rates of certificate or degree seeking and most of you just have degrees, first time, full time undergraduates.

So if you're a graduate institution, this doesn't apply. It only applies to first time full time undergraduates and the retention rate is a measure of the rate at which students persist or keep going to pursue their educational objective and that's expressed as a percentage.

For perspective students this rate needs to be made available to them before they enroll. Yes, sir.

*Male:* *[Inaudible]*

*Byron Scott:* The question is when you're looking at the retention rate are you looking only at American students who are receiving Title IV or are you looking at all students. I believe the regulation when it talks about how a retention rate is calculated, just talks about all the students who are first time full time undergraduates. Is there another question?

*Male:* *[Inaudible]*

*Byron Scott:* I believe it applies to all students. Yes.

*Male:* *[Inaudible]*

*Byron Scott:* The rate is required to be calculated I believe on an annual basis and the regulation specifies how it is calculated and reported. But so let's say your year ends June 30th. It doesn't necessarily mean that rate's gonna be available July 1st, but it needs to be available in a reasonable time period. And no, I won't define reasonable.

*Male:* *[Inaudible]*

*Byron Scott:* The regulations just require that you are calculate – the question was is this by program or institutional. This is for all of your first time, full time undergraduates. So in America, that would be first time freshmen who are going to school full time. So if you are only a graduate program, you wouldn't have to worry about this. If you only have graduate programs, this would not apply at all.

If you have both what we would call an undergraduate program and graduate programs, you would only be calculating this for your undergraduate students who are first time, full time students. It's a relatively limited universe.

I'm gonna keep moving 'cause we've got a lot of other fun things like this that we're gonna talk about. Did I skip something there? Oh yes. Placement rates.

Now, this requires that you disclose any placement rates that you calculate. That could be by school. It could be by program. Maybe the ministry of education requires that you calculate a placement rate, but this when we talk about placement, we're talking about the types of employment that your graduates obtain. Graduates from either the degree or certificate programs and we have not specified a methodology for calculating this at this time. We might in the future, but we haven't yet.

So, if you calculate a placement rate for any part of the university or if you do it university wide or maybe it's just the college of engineering that does it and the college of liberal arts and sciences doesn't, whatever you have you have to disclose and when you disclose it you need to identify where the data came from and how you calculated it.

So let's say the college of engineering surveys its graduates and as a result of that survey we found out that 82 percent of the graduates get jobs in engineering. That would be something you disclose. Yes, ma'am.

?:

*[Inaudible]*

*Byron Scott:*

her question is does this apply to graduates and yes, it does. This would apply to any placement rate that's calculated. So maybe the MBA program calculates a placement rate, but nobody else does. Then the MBA program would disclose its placement rate.

Your accreditor might require – is Equis the business accreditor in Europe? Maybe they require a placement rate be calculated. If they do, you would disclose that.

*Female:*

\_\_\_\_\_ where?

*Byron Scott:*

On the consumer information you make available to students. I'm thinking – I'll get to your question in just a second. Her question was where do we disclose it and it's where you make your consumer information available.

Thinking about delivering this session for you folks, I was thinking that it might be helpful if you – this isn't a requirement, but maybe

you would make a page in your website, “Hey American students, here’s all the information you need.”

One of the challenges for you in administering a foreign aid program is – this is a challenge for your colleagues at domestic schools – is you don’t have this information. It’s not your job at the school to calculate the placement rate.

Depending on how big your institution is it might be hard for you to find the people who have this information, which is one of the reasons that that consumer information’s disclosure or that Word document is really helpful because it’s something you can give to other people and say, “I need your help with this.” At least in the United States sometimes the financial aid office is not the most powerful office on campus. So sometimes it’s a challenge to get the information that you need. I’ll come to you next. Yes, ma’am.

*Female:* [Inaudible]

*Byron Scott:* When you say it is created internally or externally –

*Female:* [Inaudible]

*Byron Scott:* I’ll try and paraphrase your question is if we calculate this internally, like our career services office calculates this, is that okay. The answer is yes. However you calculate it, you just need to say – and you mentioned reporting to Ed, as of now you are not providing this information to us at this point.

Domestic schools would be reporting some of this data via the iPad surveys, a phrase you might not have heard, but you are not required to report through iPads at this time. Yes, ma’am.

*Female:* [Inaudible]

*Byron Scott:* Her question is consumer information, one big hole. Does it have to be in the same place. The answer is not all of it. However, if you wanna make sure that it’s current and completely and up-to-date, from my perspective just as if I had to do this, I’d probably wanna have it in one place or one place with the links to where it is.

So let’s say the college of business maintains its placement information. If you had a link to that on the consumer information page that would be okay, but you need to make sure that everything is accessible.

*Female:* [Inaudible]

*Byron Scott:* This remarkably candid woman said that, “Well, some of the information might not look that good and our website is all about recruitment.” That actually is why this is a requirement now because we want students to know that if you go to a particular university, only 20 percent of their students can find a job. Not saying it’s 20 percent at your school.

So you have to make this information, the regulation says, readily available.

*Female:* [Inaudible]

*Byron Scott:* Well yes and we don’t want your students to have to do a Freedom of Information Act thing to get this information. Just think about what readily available means. Students need to be able to access this information. Doesn’t mean there has to just be one place where it is, but if they go to the consumer information place, they need to be able to get to all the information that you are required to disclose. Yes, ma’am.

*Female:* [Inaudible]

*Byron Scott:* Her question is if you haven’t published them before, must you do it now. You are required to disclose any placement rate you calculate for any reason. If you don’t calculate any and nobody requires you to, you are not required to disclose it because you don’t have one that’s calculated. I’m gonna answer one more question because I’ve only got about 20 minutes and we still have a lot more fun things to talk about. Yes, sir.

*Male:* [Inaudible]

*Byron Scott:* This gentleman said if you’re in the UK you can publish your \_\_\_\_\_ stats and I don’t know what that means so it sounds good to me. If the – whatever **HESIS** stands for, if they’re requiring this information for UK students –

*Male:* [Inaudible]

*Byron Scott:* Okay.

*Male:* [Inaudible]

*Byron Scott:* Great. If you gave them a link to that, if it included all of this you'd be done or very close to done.

*Female:* Quick question. This is in effect now?

*Byron Scott:* Yes. It became effective July 1st of this year.

*?:* \_\_\_\_\_.

*Byron Scott:* See, I told you. They wanted me to share all the good news. We say in America, "I'm from the government and I'm here to help you." So, private education loan disclosures. How –