

Carney McCullough: This session is entitled A Student Eligibility Toolkit, New Guidance for Decisions that You Make. We thought that we'd come up with kind of clever title, but this is really kind of a hodgepodge session of a lot of student eligibility issues that have been – that have come up over the last year or so. Sort of some of the hot issues in student eligibility and we thought we'd kind of put it together into a session for you.

So we tried to think of the recent, you know, policies and regulatory changes and dear colleague letters and things that we've been issuing in the last couple of last years. So we decided on the following topics that we're going to discuss today. We're going to start with ability benefit, moving onto high school diploma then Marty is going to take over and talk about trial period of enrollment, professional judgment, satisfactory academic progress, always on an exciting topic right now. And I'll conclude with retaking coursework. I'll finish up with that.

The next slide gives you some general resources that might be helpful to you. You noticed that we've listed, you know, a couple – NPRM and the final regulations, the big program integrity regulations that we have talked about and you've heard about at yesterday's general session as well. So this is some general resources that could be helpful to you. The NPRM that most of these topics came from was issued on the June the 18th, 2010, and the final regulations were October 29th, 2010.

And I would strongly advise you – this is my little advertisement that I gave in the verification session as well about how important it is to read the preambles to both the NPRM and to the final regulations obviously focusing on the regulatory language and the final regulations, but the preambles to both the NPRM and the final are really critical to understanding the issues thoroughly. And I'll explain a little white.

In the Notice of Proposed Rulemaking, the preamble takes – there are certain standardized formats, and the preamble to an NPRM, we explain the statutory basis. We explain what the current regulations say. We explain what the proposed regulations are and then we give sort of a reasons and explanation portion of, you know, why we're proposing these particular changes. So it's a real full discussion of the proposals.

When we do the preamble to the final regulations, what we really end up doing there is we summarize the public comment, and we discuss that. We respond to those comments that we got and then

we discuss any changes that we made as a result of that. So, now, think about this for a minute.

If we have something in the NPRM that we either get no comments on whatsoever and we're not going to make any changes because we didn't get any comments, you're not going to find a discussion of that in the preamble to the final regulations. But if you're trying to track an issue, it's really great to read the NPRM preamble and the final preamble and then look at the final regulatory language. It's also a really good cure for insomnia. Throw that out there also. But, if it is really important, sometimes I think, you know, people think, "I'm going to just look at the final reg because that's what's final. Right?" So it's important to read the preamble to the NPRM as well.

So we've also published some Dear Colleague letters, quite a few of them the last year, and we're going to cover those as we go along. And we also have established a program integrity Q and A section on the OPE website that you can link to from IFAB, the sort of groups. I think David Bergeron mentioned it yesterday morning – group questions. So, if you're looking for guidance that's been issued on Ability to Benefit, you can find all of the ATB guidance in that particular section on that website. So we hope that that's helpful to you in terms of tracking the guidance that's coming out on these issues.

So I'm going to start talking with Ability to Benefit. Some of this is kind of old news, but I'm kind of going over sort of the more recent but still now old news that's out there and then talk about some of the issues that have come up.

The HEO, the Higher Education Opportunity Act of 2008, added a new option for establishing Ability to Benefit for students who do not have a high school diploma or its recognized equivalent. Students can now establish their eligibility based on the satisfactory completion of six semester, trimester or quarter hours or 225 clock hours that are applicable toward a degree or certificate offered by that institution.

Now, I want to remind you, it doesn't have to be applicable to the student's current degree or certificate program, but it does have to be applicable to a degree or certificate offered by the institution.

Now I frequently hear schools say something like, along the lines of, "We don't admit ATB students," and that may be true. You really truly may not admit anybody that does not have a high

school diploma or GED, but a lot of times, people, you know, are a little confused, and it's like, "Oh, well, yeah. We do admit people that don't have a high school diploma or GED." Well, then you do admit ATB students.

So, if you admit any students as regular students, regular students meaning somebody who is there for the purpose of obtaining a degree or certificate who do not have a high school diploma or the recognized equivalent – so, if you admit regular students who don't have that then you do admit ATB students.

And if those students successfully complete six credits or the 225 block hours applicable to a degree or certificate offered at your institution or if they pass an independently administered Ability to Benefit test, they are eligible for Title Four aid, and you have to pay them assuming they meet the other student eligibility criteria such as demonstrating need and all that other laundry list of things.

This is kind of a pet peeve of mine because I've been around for 100 years now, but ATB is a student – Title Four student eligibility criteria, and it is not an admission criteria. To be fair, over 20 years ago, it was an admissions criteria, but the law changed 20 years ago in 1990 to make it really only a student eligibility criteria. So I just want to remind you, you know, to keep in mind that you may think you – quote unquote –don't admit any ATB students, but you may, in fact – your institution may be admitted people who are beyond the age of compulsory school attendance as regular students who do not have a high school diploma or its recognized equivalent. So you do have to keep that in mind and look at those students potential eligibility for Title Four aid under one of the Ability to Benefit criteria.

So just a couple of other little reminds which is that you can only pay the student Title Four aid after he or she has successfully completed the hours, and you pay them as though they were a transfer student. This allows students in non-term programs, for example, to be eligible for payment beginning with the seventh credit and clock hour number 226.

In some of these circumstances, just as a reminder that, depending on how your admissions situation had worked, your school might not have admitted them as regular students. They might have admitted them under a conditional admit or under special status or under some category other than considering them a regular degree seeking student but remember that you've got have converted them

to regular student status, and they have to be a regular student before you can pay them.

So, you know, if you've admitted them under a special status, and once they've completed the six credits, you want to convert them to Title Four eligibility and you want to have them – they've met whatever admissions criteria they need to meet to be a regular student, they have to meet a regular student before you can actually pay them Title Four aide.

Unlike certain other eligibility requirements, you cannot pay these students back to the beginning of the payment period or cover costs for periods of ineligibility. If you have a term, though, that consisted of modules and the student completed six credits and then enrolled, say, for another six credits within that same term, you could disburse Title Four aid for the remaining modules using an adjusted cost of attendance and only paying for the credits after the student had earned the six credits.

We clarified, in the preamble to the final regulations, that testing out of courses does not satisfy this requirement. The students have to actually take the six credits or 225 clock hours worth of work. I also want to remind you that you can, if your institution – say a student's transferring in and you're accepting at least six credits upon transfer or at least 225 clock hours upon transfer creditable towards a degree or certificate at your institution, that also does count as a transfer student.

And we also were recently asked a question about advanced placement work. You know, a student who didn't have a high school diploma but was going to have six credits worth of AP coursework, that is more similar to testing out. So that would not count. We would consider that similar to testing out.

Also, in the regulations, we made some changes to subpart J of part 668 which is the part that governs the test approval process, and what we're trying to do there was just specifically address some deficiencies that were identified in the GAO report. We added some new definitions including definitions of a test administrator, an assessment center, and we revised some other definitions.

We clarified, in particular, that in order to administer ABOUT test, a test administrator has to be certified by the test publisher whether they're an independent test administrator or whether they're employed or working in an assessment center.

Now here's the first Dear Colleague letter that I'm going to talk about briefly, and that's Dear Colleague Letter GEN-11-08. We issued that on March the 25th, 2011, and it was to provide guidance for ATB determinations for Spanish speaking students who are enrolled in a program that is taught in Spanish.

Under our old regulations, we allowed an institution to use any test in the student's native language if there was not test approved for ATB purposes. Under the new regulations, we require institutions to use an approved test. However, right now, there is currently no Spanish language test that's been currently approved for ATB determinations, and under the guidance in this Dear Colleague letter, institutions can continue to use tests that would have met the old regulatory standards for assessing ATB until a Spanish language test has been approved. We anticipate that this will be sooner rather than later.

So here are a couple of issues, a few current issues that have arisen over the last few months. The first deals with charging for ATB tests. We were asked some questions about charging. Make – let me make it clear that an institution may not charge a student for taking an approved Ability to Benefit test. That would be a violation of your program participation agreement. If an institution directs a student, say, to an unaffiliated assessment center at another institution – let's say you've got an arrangement or the local community college will allow students to take tests there, the unaffiliated assessment center may, in fact, charge the student for that, but the institution may not charge the student. Also, the independent test administrator may charge a student for taking an ATB test, and costs associated with taking an Ability to Benefit test are not included in a student's cost of attendance.

The second is that the only test administrators, that can administer an approved Ability to Benefit test for Title Four purposes, is a test administrator that has been certified by the test publisher. Certification is to an individual test administrator and can't be delegated from another individual such as the director of an assessment center.

In the past, sometimes, there were like the director of assessment center had been certified, but the people that worked in the assessment center, other than the director, had not been certified by the test publishers. The new regulations require that those individuals also have certification from the test publisher.

Also, I wanted to give you a little bit of an update of where we are with the test approvals. There are three tests, ATB tests that are currently under review by our psychometrician, and we are expected final recommendations from the psychometrician by the end of this calendar year. So by the end of December – I guess end of this – tomorrow – I started to say end of this month, but no, I guess that starts tomorrow but about a month from now.

And subsequent to getting those recommendations, we'll be publishing a federal register notice as we're required to do that will provide a list of the – an updated list of approved ATB tests for Title four AGA student eligibility purposes. We have recently been in contact with the remaining, previously approved ATB test publishers, and we've asked them to tell us, by December the 5th – so early next week – when or I guess if they would be submitted their ATB test for review under the new regulations.

We've also – and, this one, I didn't have as a bullet up there, and I think someone mentioned it yesterday morning. You know, now you're required to report ATB data through COD. This is not something I'm all that familiar with, but I have heard about this. And so, while we're still looking at the data that's coming through, it's appearing that some institutions are providing the ATB code of 02 which means that the student has earned six credits or its equivalent, but the students have also indicated they have high school diplomas.

So, when we're looking at it, it seems that people are coding students at ATB students who were, in fact, receiving aid because they have high school diplomas or GEDs. So please take another look, when you get back, at your processes for reporting the ATB data via COD to make sure that you're only reporting ATB data for students without a high school diploma or its recognized equivalent. Okay? High school diploma.

I teased by colleague, Jeff Baker, yesterday morning because I said, "You know, I'm going to talk about this at my session. You didn't advertise it." He said, "You are?" I said, "Yep." So – he said, "Oh, I'm sorry. I should have given you an advertisement." I said, "That's okay. That's just fine."

But, as he sort of pointed out to you, we had a lot of discussion on this issue when we had negotiated rulemaking, gosh, beginning now, almost two years ago. It's to believe it's been that long since we've started this, and the end result was we added what I refer to minimal but important language in the administrative capability

standards portion of our regulations that require institutions to develop and follow procedures to evaluate a student's high school completion if either the institution or the Department of Education has reason to believe that the high school diploma was not obtained from an entity that provides secondary school education, and most schools already have procedures in place or I should say many schools already have procedures in place as part of your admissions process.

But I do want to point out that this requirement applies to all institutions including those who do not require a high school diploma for admission. We felt that the institution was in the best position to make this determination. You know, many times, you've got relationships with a number of different high schools, and you're the ones who are used to looking at this. So the reg language provides a basis you can point to if a student questions you, if you're – you know, if you're asking them to provide a little more proof there, you can always point to this and say, "Hey, you know, I'm required to do this under certain circumstances."

So and it also allows the department to identify selected applicants for review by the institution which we have not – we have not done anything with at this point in time but more about that in a minute.

We first added an additional question on the FASA beginning with the 2011 – 2012 award year, and for students who were filling out the FASA using FASA on the web, there's a drop down box that students can use or they can write in or type in the school's information of the high school where they've received their high school diploma.

Now there's not a requirement that you collect high school diplomas. There's not a requirement that you're comparing this information with information that's collected by the admissions office, and there's also no comments currently related to high school completion status on the ICR. We're collecting this information here.

Remembering that the – receiving high school diploma is a student eligibility item, the procedure is a school requirement and not a verification item at this point, and action is required only if the school or the secretary has concerns about the validity of the student's diploma. But I do want to point out some important information that's contained in a recent Dear Colleague letter that's really recent that we issued the GEN-11-17 Dear Colleague letter on the issue of distance education fraud range.

In that Dear Colleague letter, we stated that institutions can use these procedures that they've set up for high school diplomas to help detect potential fraud particularly if you find that there's been common use of single internet protocol address or email address by multiple students in applying and or in doing distance education coursework.

There have been some sessions at the conference about this, and I think, you know, you're aware that part of the reason that we were able to have some success in finding out was due to actions of institutions who were noticing some unusual patterns and looked into it. So we want to encourage you to look beyond, to use this authority to look beyond if you see something that looks funny here.

We also went on to say, in that Dear Colleague letter, that in future years, we might specify high school diploma information as an item for verification under our new verification requirements for some or all of the institutions, Title Four applicant who are engaged in distance education. And we would end up selecting certain applicants for verification based upon common addresses, as I mentioned before, and other patterns and discrepancies as was noted in the Office of Inspector General's investigation.

So, and if you have additional interests and additional information on this, there is a session on fraud and distance education being offered several times here at the conference that you might want to attend to get additional information.

Now a couple of issues on the high school diploma front. The first one is the FASA list, and I want to spend a minute or two on that because we – this comes up regularly right now. We're using information from two surveys that are conducted by the National Center for Education Statistics, which is a part of the department, to populate this list.

And what I want to really stress to you that this is not a list of good schools. You know, this is not the department's list of – quote unquote – good schools out there. Inclusion on this particular list merely means that this school participated in the survey. Now, granted, there are some protocols for institutions participating in the survey, but it merely means that they participated in it.

And, similarly, not being on the list merely means that the school did not participate in the survey. It may be a perfectly valid high

school. It may be perfectly fine. We've heard some rumors that some schools are telling students that, if their high schools are not listed on our list, then they won't accept a high school diploma from that school. Please do not do this. This is not – that is not the purpose of this list. We did it to make it easier for students to be able to fill out this information. So please don't do that.

We've also become aware that implementing the new procedures for determining the validity of high school diplomas, some institutions have identified students that do not possess valid high school diplomas and, as a result, were not eligible students during prior award years. For – it says or year prior to 2011 – 12. They've gone back and scrubbed some of their – you know, they made a determination about a particular institution, a high school that may be not being valid and then they look back and they find that Johnny and Susie also had diplomas from that particular high school.

We're working on some guidance to address this issue, and hopefully, we'll be addressing a Dear Colleague letter on this topic shortly.

So now I'm going to turn it over to Marty to talk about trial periods of enrollment.

Marty Guthrie:

We are covering a lot of territory today, and our next topic, as Carney mentioned, is trial periods of enrollment. We issued this Dear Colleague letter in early June after receiving a number of inquiries from institutions that wanted to develop this type of program.

In this letter, we described the characteristics of a type of trial period that permits a student to take classes for a brief time to essentially try out the program and see if it is a good fit before making a financial commitment to continue the program as a regular student.

This Dear Colleague letter builds on prior guidance that we had included that was student specific and had been included in the FSA handbook, but that was not provided as guidance about how programs could be structured for a group of students. So this DCL describes the type of trial program we're talking about and offers some relevant definitions, for lack of a better word, so that we're on the same page with this type of program.

It offers a more precise description of trial period of enrollment. It gives some examples to illustrate what situation we're trying to address and outlines some of our expectations about this type of program. Now keep in mind that, in this letter, we're describing acceptable practices. We're not trying to describe every acceptable practice. If you – if questions arise about this particular Dear Colleague letter, I'm the contact person. Feel free to send me an email or give me a call.

And now, we'll launch into professional judgment. We've issued several Dear Colleague letters that I'd like to briefly review with you, but first, I want to remind you that professional judgment deals with the special situation of an individual student not a class of students. Professional judgment decisions are made on a case by case basis and must be documented with verifiable third party documentation as the goal.

And today's focus is on professional judgment related to student eligibility. I want to cover some old ground first and tell you again about some Dear Colleague letters that we issued related to unemployment. The numbers and issue dates of these letters are shown on this slide. These letters remind you about decisions that you can make for individuals who are unemployed.

The letters suggest one way that you might handle this type of situation but are not intended to be directive in any way, and I might add, despite the fact that we issued these letters more than two years ago, they are still in effect now and will be until further notice. There is much more detail in these letters. So I encourage you to review them carefully if you haven't looked at them lately.

The next letter I'd like to cover relates specifically to military families. This letter was issued earlier this year and served two purposes. The first was to remind you about how combat pay is treated in the calculation of a student's EFC. Specifically, that certain types of combat pay are excluded from income for federal income tax purposes.

The second point of the letter was to remind you to be sensitive to the special circumstances that may arise for members of the U.S. Armed Forces and their families, and this could include loss of income due to the service member's return to college or the deployment of the service member. As we indicate in this letter, it is appropriate to take into account a changed circumstance that affects the student's or the family's current and near term economic situation.

The next Dear Colleague letter I would like to address was issued in late July of this year and provides information about the conditions and the documentation needed to support dependency overrides. As you know, a dependency override is not exactly professional judgment, but it's very similar. Decisions must be made on a student by student basis, and documentation is a critical element with third party documentation, again, as the goal.

This Dear Colleague letter reminds you of the basics in making this type of dependency override decision and includes three different examples along with possible, acceptable documentation options. These examples were offered to help you identify additional situations in which a dependency override might be appropriate. The letter also indicates a number of conditions that do not qualify as unusual either individually or in combination, and these conditions are listed here on this slide.

The last thing I want to mention, in this particular section of the presentation, actually relates to verification. In the regulations we published on October 29th of 2010, we codified a long time policy requiring that verification be completed before exercising professional judgment.

We've received some questions about this, and I want to clarify that the requirement in the verification regulations, in 668-53-C applies to applicants that you, at the institution, select for verification or that the secretary selects for verification. This requirement does not mean that you have to complete verification for a non-selected applicant before exercising professional judgment.

Okay. Now let's talk to satisfactory academic progress. As you know, we revised these regulations on October 29th, 2010, and I think folks are gradually becoming more familiar with how the regulatory provisions work. The new regulations continue to give you the flexibility to set your satisfactory progress policy at the institutional level in a way that best meets the needs of your students.

The regulations require regular monitoring and eliminate automatic long term statuses. In addition, we've added definitions for the terms warning, probation and appeal and the regulations also include additional flexibility for institutions that monitor progress more often than annually.

The satisfactory progress regulations are organized by whether the institution measure progress at each payment period or less frequently. I mentioned that additional flexibility is provided for institutions that measure a satisfactory progress at each payment period. This flexibility involves the use of the financial aid warning status.

During negotiated rulemaking, our nonfederal negotiators stressed the importance of early intervention in assisting students to achieve their educational goals. The Higher Education Act requires institutions to evaluate satisfactory progress on an annual basis. So we cannot require a more frequent evaluation. However, to encourage institutions to evaluate at the end of each payment period, we offers some additional flexibility in the form of the financial aid warning status, and as a reminder, institutions are not required to use these statuses. They are optional.

The regulations require that certain items must be specified in the institutions policies. You can find a complete listing in the regulations, but this includes the GPA or qualitative standard that a student must achieve at each evaluation, and it includes the quantitative standard which also must be measured at each evaluation.

This standard is the pace at which a student must progress in order to complete the program within the maximum timeframe. Institutions must measure that pace at each evaluation. The policy must align the student's pace along a continuum that allows for the completion of the program within the maximum timeframe.

The institution's policy must specify both the qualitative and the quantitative satisfactory progress standards and must measure both of those standards at each evaluation. There are a few more items that must be included in your satisfactory progress policy. It must specify how incompletes, withdrawals, repetitions or transfers of credit affect a student's GPA and pace.

One area where there's some specificity is in the area of transfer hours. The regulations require that institutions count any transfer hours they accept toward the completion of a student's program as both hours attempted and hours completed in measuring satisfactory progress.

Now I want to cover just a few issues that have arisen as folks have undertaken to implement these regulations. The new regulations add definitions of several terms to describe certain statuses that

may be used in satisfactory progress determinations. We made these changes because we believe it's helpful to have a standard vocabulary to use when discussing satisfactory academic progress and hope that, by defining these terms, we can help ensure that students are treated consistently and equitably regardless of the institution they attend. You must use these terms in your information to students. The terms must be explained and used consistently with this regulations, and the conditions of each term must be clear to students.

We've also received questions about how probation works at an institution that reviews satisfactory progress on an annual basis. If you use the probation status and review satisfactory progress annually, you need to remember that probation is for one payment period only, and this means that you would need to review the student who is on probation after that one payment period even if you review all other students on an annual basis.

We've also received a number of questions about how pace fits with the maximum timeframe. First, I ask you to remember that the maximum timeframe is not a new concept. It was included in the old regulations and is unchanged in the current regs as a part of the quantitative portion of this satisfactory progress review. It's 150 percent of the published length of the program for undergraduate programs and is determined by the institution for graduate programs.

The new component in the regulations is pace which is calculated by dividing the cumulative number of hours the student has successfully completed by the cumulative number of hours the student has attempted. Pace keys of maximum timeframe but is a separate measurement and remember that you may use a graduated pace. You are not required to use a straight 67 percent for each class year.

I encourage you to consult the preamble of the October 29th regulations for a discussion of other possible approaches. Another question that we've heard frequently is how to handle a student who wants to return to your institution after poorly performing a number of years before. For students in this situation, I would ask you to keep in mind that the regulations have no provision for academic amnesty. When in this situation, it could be the basis for an appeal if your institution permits appeals.

Another issue that we've heard quite a lot about is the treatment of remedial coursework. The institution's satisfactory progress policy

should describe how remedial courses are treated. Because an institution may include up to one academic year's worth of remedial courses when determining a student's enrollment status for federal student aid, those remedial courses must be included for purposes of the student's qualitative satisfactory academic progress component. However, the courses need not be included in the student's GPA.

An institution may calculate a GPA for satisfactory progress purposes only that includes the grades from the remedial courses or may use some other method to determine the qualitative measure for this coursework. Remedial courses are not required to be included for the quantitative component. An institution may but is not required to include remedial coursework in determining pace.

In terms of implementing the regulations at clock hour schools, in early June of this year, we published – posted an electronic announcement on IFAP with some guidance about the use of scheduled versus actual hours in clock hour programs. This announcement was later incorporated into the larger program integrity Q and A that Carney mentioned just a few moments ago. In this announcement, we tried to give clock hour schools some additional flexibility in determining when satisfactory progress reviews take place by offering the option to review at the point when a student's scheduled clock hours for a payment period have elapsed or at the point when a student has attended the scheduled clock hours or at a point when the student successfully completes the scheduled clock hours for that payment period.

The option that you select must be used for all students in a program. Additional details are included in the announcement and in the satisfactory progress Q and A, and I encourage you to review this information if you have clock hour programs.

We have received a number of questions on satisfactory progress, perhaps from some of you, about different aspects of the regulations. To respond, we posted the Q and A, to which Carney mentioned earlier, on the OPE website about how coursework is treated and how institutions can use the new statuses in their policies. I'd encourage you to take a look at the Q and A and to check back periodically because, as also Carney mentioned, we plan to update the information as needed.

And now I'm going to turn it back over to Carney to wrap things up with retaking coursework.

Carney McCullough: Okay. I guess we get to do cleanup here at the end and do retaking coursework as our very last topic to go over before we have an opportunity to take questions from the audience.

Retaking coursework was a provision that we included in the big program, Integrity regulations package recently, and it amends the fulltime student definition. You know, we have been aware, for a number of years, of difficulties that institutions have experienced in tracking students who retake courses, and we recognize that, in some cases, students need to retake a course in order to achieve a specific grade or to have a specific grade point average, to be admitted to or to continue to be enrolled in a particular program.

And, you know, in particular, some of our medical or nursing programs and education programs and some of those are the ones that require specific grades in certain courses, and we wanted to be able to help some of those students out. So what we did was we amended the fulltime student definition in our regulations, and this affects programs at term based institutions only.

So, basically, what the regulatory requirement is is that we will now allow you to – allow it to be included in the enrollment status, and we will pay for it as a result for one retake of any –previously passed course. If the institution has a policy that requires the student to retake all of the course work for a particular term if he or she failed a course – any one course, we will not pay for the courses that they had previously passed. So that's the sort of exception to the rule there, but, in general, we will pay for one retake of any previously passed course.

And, you know, this is one of those little areas where we thought this was a nice, neat little thing we were going to do in our package and that it would just be easy peasy and there wouldn't be any questions about it. Can I tell you we've gotten more questions on this than just about anything else? And, you know, we're sort of continuing to – it was kind of, I guess, a sleeper issue.

You know, everybody – it was like one of those this is really a good idea, and there were so many other things. People focused on the other things, and then it was sort of like after the regulations were published, we started getting the questions and the concerns and having to look at some of the issues.

So the first – so I sort of listed some issues here that we've been hearing about and wanted to go over with you. So previously failed courses, you know, we just want to be clear here. We'll pay

for multiple repeats as long as the student keeps failing. So, you know, you could – which is really not a good thing. I sort of made a note, but remember, you know, in counseling these students that, eventually, this is going to catch up to their satisfactory progress policy. And they're going to have problems with that, but, you know, we will pay for multiple repeats of failed courses.

However, for previous passed courses, only one repeat of a previously passed course. And what does passed mean? Passed means passed. That means a D. That does not mean – regardless of what the program may require – in other words, some schools have come up to us and said, “Well, you know, we require that they have a C in this. So that does mean that they haven't passed it until they have a C?” No, they've passed it if they have a D. So they've passed it once they've got a D, and we'll pay for one more repeat of a previously passed course.

Now we've also been asked, if the student passes the course once, you know – when they passed. So, when they previously passed course ___ here, they passed the course, at least once or once, and they want to retake it because say like they need to get a better grade. They need to get a B to continue with their program, and they start retaking that course, and they withdraw.

We would not consider the student to have retaken the course if they didn't complete it on the second completion. So, if they start retaking the previously passed course, they withdraw from it. We wouldn't consider that as the one repeat. They would be able to repeat it again. So they could attempt it another time and have it included in their enrollment status.

Now, if they – here's another one. It's like all the possibilities. Right. So the student takes a class, and they pass it and then they retake it because they want to get a better grade. Let's say they got the D the first time. So they just barely passed it. So they need to take it again because they need to have a C, and when they retake it, they fail it. We're not going to pay again because they've now retaken a previously passed course. So those are some of the scenarios that we've been getting questions about, and they're going to be in – I think we've got some additional Q and As that are going to come out on this one.

So the third issue – and this was the one that was kind of a surprise to all of us, and I kind of kick myself because I majored in music, and I should have thought of this one, too, even though this was not one of my huge issues in this. But so we'll use music as an

example for the same course number, different course content question that we had.

Let's say you got a student who is majoring in music, and, you know, they audition and they're in orchestra. Right? And orchestra is course – I'm making this up – 310, and it's always 310. And they have to take orchestra, say, all four years or they're going to take orchestra for three years because whatever. But they're going to take orchestra more than one time because that's a part of their degree requirements, and all students are expected to enroll in it. And it has the same course number each year, but the content changes.

So, if you really think about it, any of you who have been involved in these types of things, you're going to be playing different music. You're going to be learning different things. It's really a different course even though it has the same course number, and we do not consider that to be retaking coursework.

We say course numbering is not the determinative factor since that's really used for administrative convenience here. So, as long as it's the same course number and different content, we would not consider it to be retaking, you know, the same class again.

But I do want to point out that simply changing the syllabus for a course that's offered every term doesn't mean that a student could receive aid repeatedly for taking and passing that course. So, you know, the fact that you change the syllabus for History 101 between, you know, once a year or whatever, doesn't mean that that would work then. This is more for something like, you know, a music course or an art studio course or something along those lines or maybe even an independent study course where there's a different independent study that's being done each time.

The third bullet talks about some loan program considerations, and this is sort of a difference. And this is not yet out as a Q and A, but we're expecting it to go out shortly which is that repeating coursework that's ineligible for determining enrollment status – so this is somebody who is repeating for the – you know, the second time a previously passed course, right? So it can't be counted for enrollment status for determining eligibility for a Title Four disbursement, may still be counted in determining enrollment status for certain loan reporting purposes such as reporting to NSLDS and determining whether a student qualifies for an in school deferment status. So we made an exception there for sort of

administrative convenience and because we don't want to penalize a student because they truly are enrolled.

It's for different purposes. We're not paying for it, but they are truly enrolled at last half time. So you can count that in enrollment status for those purposes. We mentioned, again, once again, there's guidance on our website and other guidance will be posted soon. And that concludes our portion of the program, and now we're happy to take your questions.

There are a couple of microphones if you come down front to ask your questions. I don't know how long we have or how long you have, but from previous things, if you could ask one question and then let somebody else take a turn, and if you have more than one question, kind of go back to the end of the line and move up again. That way, you make sure everybody gets a chance to ask their question, and everybody else can run out and have a good time

Thank you for being here, and here's our contact information. So, if you can be quiet. Just kind of quiet if you're leaving so that we can hear the questions that are being asked. So I'll start to my right.

Audience: On slide 13, you said – it said that we have – there's no requirement.

Carney McCullough: I'm sorry, **Kayla**. I can't hear anything.

Audience: You said there's no requirement to compare with information collected by the admissions office on the high school diploma thing. So is this like special –

Carney McCullough: What – you know, on the question - think your question is about the ___ the information that's reported on the FASA, the information in the admissions office.

Audience: Right.

Carney McCullough: We're not requiring you to go back and try to differentiate. In part, because we're – you know, we recognize that, on a dropdown menu, somebody may accidentally hit the wrong dropdown button. You know, it could be Western High School someplace –

Audience: No, no.

Carney McCullough: Next to Western something else.

Audience: So maybe I didn't understand what you meant because it's not a special dispensation about conflicting information because, usually conflicting information is any information is in any office at the school. It can be conflicting information with what you have, and you have to check. You do have to compare with other offices.

So, in the high school diploma case, you don't have to compare. Like let's say another office has the information the student did not complete, does not have a high school diploma. Let's say he doesn't have a high school diploma. He's ABT or something. I don't know what. Whatever.

Carney McCullough: I can't hear you very well. For some reason, the sound is really bad.

Audience: Oh.

Carney McCullough: So what – up here, it may be – it is really horrible up here, but if you're asking, we sort of made it – generally speaking, you're right. Conflicting information is something you have to resolve, information that's in multiple offices at the institution. But we've said, for this FASA reporting thing, you do not have to go back and track it down at the admissions office. If that was the gist of your question, I hope I answered it. Yes.

Audience: I just want to clarify two things that you said. The first thing, regarding the PJ, you said that, if they were not originally selected for verification, you don't have to complete verification.

Marty Guthrie: Right. If you're not selected for verification then you don't need to verify the student before making a professional judgment decision.

Audience: Okay.

Marty Guthrie: There's been some confusion about –

[Crosstalk]

Marty Guthrie: Individuals who are thinking that, because we have that wording in the regulations, they had to verify everybody that they wanted to make a professional judgment decision for, and that's not what we're saying.

Audience: Okay.

Marty Guthrie: If the student was selected either by you at the institution or by the secretary, then you do need to complete verification before you make a professional judgment change.

Audience: Okay and the other thing I wanted to clarify was with the retaking coursework. You did just say that, if they got a D and then a W, that W is not their repeat, that they can then take it again.

Marty Guthrie: Yes.

Audience: Thank you.

Marty Guthrie: You're welcome.

Carney McCullough: Okay. To the right.

Audience: Just one follow up to that and I have another question. Is a course that was graded A allowed to be repeated for federal aid purposes?

Carney McCullough: A course that was graded what?

Audience: An A.

Carney McCullough: What does A mean?

Audience: A is the highest grade you may receive.

Carney McCullough: Oh, yeah. I'm sorry. Yeah. Okay. Can you tell it's been my third session today? Graded A and I'm thinking like is that audit. You know? Wow. Yes. If somebody, for some crazy reason, wishes to retake a class that they got an A in, we will pay for one repeat of that class. They want to get that A plus, I guess, to get – you know.

Audience: Okay. Thank you. Now the question that I have what if your satisfactory academic progress policy that you implemented and you do the review at the end of each term, which allows the three statuses, but then you only opted to use two statuses – let's say probation and the appeal – but then you determined, with your large population of students and aid applicants, that your first time students are going to negatively impacted for their first term enrollment. And even though you have warning included as part of your definition, is there any option that you would be allowed to implement warning for the spring semester?

May we quickly amend our policy for the spring semester since it would be to the benefit of the students?

Marty Guthrie: You could change your policy or you could implement your policy differently for different groups of students. We've said that. That was in a question and answer we just posted. I'm not sure that I totally understand if you're saying that you notified students that you were not using warning at all and you're deciding to change your mind. Is that –

Audience: We did not say that we were not using it.

Marty Guthrie: So you just didn't tell them that you were.

Audience: Right.

Marty Guthrie: And then you're deciding that you're going to. I mean, you know, part of the point of having the policy is to describe what – how you're going to handle different situations so students know what to expect. You know, it's certainly – I don't think it would preclude you from implementing something that might, you know provide that additional support for students.

Carney McCullough: And I think you pointed at a very good reason why somebody might want to have a policy that treats freshmen students in a different manner than, you know, upper class students where might have a warning as an option for, you know, the first three or first four semesters of the person's study and then after that, you know, they just have to have a – you could set your policy up that way, if you wanted to do so.

Similarly, as Marty mentioned, the graded pace – the graduated pace requirement. You know, some schools have a pace requirement that's a lesser requirement when somebody starts, and it ramps up as the years go on. So that you expect more from upper classmen.

Audience: Thank you.

Carney McCullough: Yes.

Audience: I have another ___ progress question. So, for schools that monitor by term, if a student attends the first term, they don't do so well. They get a warning term, and they don't do so well and they become ineligible and then they go without aid for another system or two and then they become eligible. Everything is fine. They

fixed their pace problem. They fixed the GPA problem then they go for another semester or so, and they don't do well again. And are they allowed to have another warning term down the road? Like it's –

Marty Guthrie: Yes, we've said that that's permitted. They can't have consecutive warning terms, but as long as they –

Audience: Separated by several terms or one or two –

[Crosstalk]

Audience: And then –

Audience: In terms of being good –

[Crosstalk]

Marty Guthrie: Experienced another problem.

Audience: Thank you.

Audience: Hi. I have a question regarding the retake of courses. If the student retakes the course they failed four times and they pass it, the way our institution is looking at it is we're going to replace the Fs and just look at the GPA using the passing grade.

Does the retake – I'm sorry. Does the prior courses that he failed still count toward the completion rate? Thank you.

Carney McCullough: I'm having real problems here. I keep turning the thing off then I can't find the switch. You're asking really if they – so they failed it like four times and then they finally pass it, and your question was whether – your institution's policy is you do away with all the Fs, and you just count the one A. Is that how your academic side grades it?

Audience: For the GPA.

Carney McCullough: Part of it.

Audience: The GPA side of it. It would replace the F and only look at the passing grade.

Carney McCullough: Right.

Audience: We're being challenged that the F shouldn't count towards the completion either, and we're looking for confirmation that it does need to be counted towards the completion rate.

Carney McCullough: Towards your – towards the completion rate for pace for satisfactory progress?

Audience: Yeah, yeah.

Carney McCullough: Yes. I mean I think that's – that would be appropriate certainly. Yes.

Audience: Okay. Perfect and I'm from Southern New Hampshire University. We have very nontraditional terms. If there's anybody in here in a similar situation, we'd love to talk with you about your policies for the nontraditional population. Thank you.

Carney McCullough: You're welcome. Yes.

Audience: Hi. **Mandy Sombles** from USA funds. I had a question on slide 31 with respect to reviews for students on probation where it says you must review SAP after one payment period even if SAP is reviewed annually for all other students. Does that also apply to students that are an academic plan?

Because, under the regulations and academic plan, says the plan will allow the student to meet staff at a future date. That future date might be three payment periods away. So, under an academic plan scenario, would you still be required to review every payment period, or would you be allowed to review once a year with your students?

Marty Guthrie: Under the academic plan, you review according to the terms of the plan. So it would be no less frequently than you're reviewing everybody else. So you couldn't review them once every year and a half for example.

Audience: Right.

Marty Guthrie: Or once every two years but you could put them on the same review cycle as the remainder of your students.

Audience: Okay. So, really, this is applying to only students without an academic plan.

Marty Guthrie: Who are just on probation and this is – this – I raise this as an issue because we've gotten a number of questions about it. You know, so I just wanted to make sure that it was clear since we were trying to highlight some of the issues.

Audience: Thank you.

Audience: We're a proprietary school that, until July 1st, was admitted ATB students, and we have an ATB student that graduated our program and now wants to come back. However, we are not saying we do no longer take ATB students. How does that work with that now they can take the six hours or whatever?

Carney McCullough: Well, you're – so it's an admissions policy that you will not admit, as a regular student, somebody who does not have a high school diploma or GED?

Audience: Correct.

Carney McCullough: Well, if you've not admitted them, then you, as a regular student, you don't have to give them student aid.

Audience: Okay.

Carney McCullough: These are people that are coming back to your institution now at a different time. Right? Okay.

Audience: I have a SAP question as well. We bill on a semester basis, and we do a review at the end of the fall and the end of the spring. But recently, we had the question about summer. If we have students that take summer courses and we bill them for those summer courses, do we then have to do another review at the end of summer?

And our concern is that, you know, you might have a student that is taking one class just to – because they want to take an extra elective or, you know, might just be trying to catch up or something, and reviewing them at the end of summer, because it's another payment period, that could then affect them adversely without them even knowing that they're doing that to themselves.

Marty Guthrie: If you're an institution that reviews at the end of each payment period, then you have to review at the end of summer if the student attends during the summer payment period.

Audience: Okay. Thanks.

Audience: Yes. Good afternoon. The ____ ____ University in Puerto Rico, and I just want to clarify something that you said about retaking courses. You said that, if a student take a course and get a D, even though, in our academic catalogue says that they need to have a C to pass that course, the D will be considered a passing grade and not like a failing because it was a C that they needed?

Carney McCullough: Yes. I mean the example is if D – you know, F is an F. Assuming you give a D – let me put it that way. If your institution didn't give a D, there was no grade between an F and a C, then C would be the determinant rate, but a lot of schools will give a D. But they say, "Oh, to continue in this program, you must get a C in this class where you still pass the course once you've got a D."

And, you know, obviously, that would be a case where somebody might want to repeat the class so they can get the C.

Audience: Thank you.

Carney McCullough: You're welcome.

Audience: Okay. My question is about SAP appeals and the probation status. If we're a school that looks at SAP once a year and we cite the student. They successfully appeal. We put them on probation. I thought we had to put them on an academic plan and we had to determine, at the end of one semester, whether or not they met that plan requirements or not. Can you clarify?

Marty Guthrie: An academic plan is not a requirement. You can – if a student is not making satisfactory progress and successfully appeals you can put that student on probation at – and after one payment period, then you would need to reevaluate the student. If the student – you decided to put the student on an academic plan at the same time as you approve the appeal. Then you would review the student at the end of one payment period because you still have to review.

You're either on probation technically for the first portion of the academic plan, and then you would subsequently review them according to the terms of the plan that you set up with the student.

Audience: Okay. But my question is can you put them on a plan that gives them more than one semester?

Marty Guthrie: Absolutely. The point of the plan is that it would take them more than one semester.

Audience: Okay, okay.

Carney McCullough: Somebody can mess up really badly where they can't get back on track in just one semester. So that's why we had the idea of the plan was to recognize that and then you're measuring according to that plan to make sure that they're on track.

Audience: Okay. So you could give them, say, two semesters to bring that up or whatever period you decide if you want to treat the freshmen different than others. And then what if, when they appeal – let's say they do badly, at the end of – let's say we set it up for one term.

They do badly, but they bring you medical documentation again. I mean how does all of that fit into all of this? How would you, you know, give us guidance as it relates to extenuating circumstances a second time?

Marty Guthrie: We would anticipate that the student wouldn't be appealing based on the same circumstance that they initially appealed upon. That's just kind of our assumption because part of the point in reorganizing the regulations and specifying these things was to eliminate the possibility that a student would go for, you know, payment period after payment period without kind of being monitored more closely.

So that was really the point. I mean you certainly – there – you could have a student who failed to make progress because of illness, and then, while they're in their academic plan payment periods, experiences some other issue. You know, some – a kind of death in the family or some other thing. You know, you would – as I said, we would assume that you wouldn't be kind of bringing that original appeal reason forward in a subsequent appeal.

But, you know, we're not totally ruling that out because you just don't know what could happen.

[Crosstalk]

Audience: Okay. So we still have that flexibility, if you will, if it's legitimate. Okay. Thank you so much.

Audience: Thank. **John Huberter**, **Dallas** County Community College. I have a question. In your discussion on developmental or remedial classes, in the slide, you indicated that there must be included in a

qualitative standard, but when you were speaking about it, you were kind of contradicting that and saying that it may or may not.

Carney McCullough: If I misspoke, I apologize. It's optional in the quantitative portion.

Audience: Okay.

Carney McCullough: It's not optional in the qualitative portion.

Audience: All right. Thank you.

Audience: My question pertains to professional judgment. If we're completing professional judgment for an individual who was not selected for verification and the professional judgment is based on an income reduction, in the past, I have collected a copy of the tax return to use in my review of the change in income. Now, do I have to collect a copy of the transcript as opposed to just collecting a copy of the tax return?

Marty Guthrie: No. The documentation requirements related to the IRS data retrieval and the tax transcript are specific to verification. So, if you have different procedures in place for your standard professional judgment routines, I don't see why you would need to alter those.

Audience: Even though the data elements are – like an adjusted gross income. If I'm going to change the adjusted gross income through my professional judgment review. I can still simply collect a copy of the tax return?

Carney McCullough: I think you- you know, right.

[Crosstalk]

Carney McCullough: We haven't gotten this question before, but the other questions that we have had have been strictly in the verification realm. And part of the reason we're moving for the transcript, and obviously the IRS data retrieval, is sort of purity of data and making sure that that's really what's reported.

This is a little bit different, and I mean we'll certainly take it back and discuss to see. But I think you're SAP, at least initially, just collecting the IRS tax return because it's for a different purpose.

Audience: Okay. Thank you.

Audience: Hello. This question is with regards to retaking coursework. If the student originally didn't get aid the first time around and –

Carney McCullough: Doesn't matter.

Audience: It doesn't. Okay, so –

Carney McCullough: Does not matter. Right.

Audience: Okay.

Carney McCullough: It's funny you said that because it was one of those things where I sort of said to myself, "Maybe I should mention that one," and then I thought, "Ah, I've got enough others to talk about." But so I'll add it for my future presentations. Yes.

Audience: Hello, Marty and Carney. Thank you for your presentation. I'm **Luis Vaena** from UC Irvine School of Medicine. My question is regarding repeated coursework.

As you probably know by now, from the medical schools community, medical students, when they fail several classes, they are required to repeat the whole year before they can advance. Is there any guidance that you can give us with that respect?

Carney McCullough: Well, we – that's an issue that we're looking at. I don't have any guidance I can share with you right now about that with medical schools and professional schools. We're aware of the issue and –

[Crosstalk]

Carney McCullough: We have not developed an answer to that yet.

Audience: Okay, okay. Thank you.

Carney McCullough: You're welcome.

Audience: My question has to do with the warning status. Can a student get a warning status for more than one term? Say they're on warning for one term then they go to clear and then they fall below standards again maybe a year later. So can they have warning more than once?

Marty Guthrie: Yes, they can. That's not prohibited. They may have a warning status more than once just not consecutive warning statuses, and they would have to regain eligibility. So you presume that, you

know, they failed to make progress. You put them on warning. They regain progress, and you know, at the end of that warning period and then, subsequently, something else happened to derail their progress.

Audience: Okay. Thank you.

Audience: My question has to do with the SAP qualitative requirement that a student make a 2.0 GPA after two years. If you could address the student that is going part time that may have only attempted maybe 24 credits at the end of two years. Are they required to make a 2.0 or –

Marty Guthrie: It's two years of attendance.

Audience: Two years of attendance. So it's not –

Marty Guthrie: Correct.

Audience: Two academic years of it. It's two years of attendance regardless of how few credits they've attempted.

Marty Guthrie: Regardless of enrollment status. Yes.

Carney McCullough: Right and it's not a 2.0. It's a 2.0 or a standard commiserate with graduation requirements. So, if your institution had a graduated requirement so that, in your example, the student had gone four semesters at six credits a piece so that they – at the end of two years, they had only completed 24 credits and say your institution didn't require a 2.0 at that point to graduate. They required a 1.8. They just have to make 1.8.

[Crosstalk]

Audience: So it depends on what your institution –

Carney McCullough: Correct.

Audience: Okay.

Carney McCullough: It's 2.0 or standard commiserate with graduation requirements for that particular – for where they are in their program.

Audience: Okay. Thank you.

Audience: Hi. I have a question about high school diploma. So, when we roll that out for '11 – '12 and the secretary that questionability of the high school diploma, we were told that you weren't selected anybody at that time, for '11 – '12 for high school diploma, that we had to check if the school questioned it. But the secretary, at this point, hasn't selected anyone for that.

Carney McCullough: That's correct. We have not selected anybody at this point.

Audience: What about for '12 – 13?

Carney McCullough: Not for '12 – '13 either.

Audience: Okay. Thank you.

Carney McCullough: You're welcome.

Audience: You had indicated before that, if a student had received an A in a class, that they could repeat it one time. Is this – isn't this kind of conflicting with if they would need that course in their program of study to graduate, and you had indicated, for some crazy reason, at my institution, I would have a student that would be taking nine credits, and they'd take this extra three credit course just to get a fulltime Pell Grant.

Carney McCullough: That's not acceptable. We only pay for – those are the types of questions you really don't want to ask us, but basically speaking, for Title Four purposes, we are only paying for courses that are in the eligible program.

Audience: Okay. So in the –

Carney McCullough: So, if you've got a student who is taking nine – you know, if you ask me the questions, student's taking nine credits that are applicable towards their degree or certificate and, say, they only need nine credits to graduate. Let's use that as an example, but I want to take this three credit class over here in art history because I've always been interested in it.

Well, you know, we're not going to pay for that three credits if you ask me that question.

Marty Guthrie: She's also –

Audience: I meant repeat course.

Carney McCullough: You're talking about a repeated course? Sorry.

Audience: Yeah. You said that – you had said that a person could repeat a course if they received an A in it. Well, if they repeat it, they don't really need it to graduate at all. I mean why – they don't need it for anything.

Carney McCullough: Yeah. I mean we – we haven't had that question come up, I will say, so maybe that's a good one to send into us. If you don't mind, if you would send me an email, that would be great.

Marty Guthrie: Yeah.

Carney McCullough: We'll take it to our retaking group. How's that?

Audience: Okay because, like I said, at our institution, they take it just to get fulltime Pell.

Carney McCullough: Right.

Audience: Even though they don't need it.

Carney McCullough: Right and that's not generally the purpose for it, but that's a good – it's a good point.

Audience: Okay. Thank you.

Carney McCullough: You're welcome.

Audience: Hi. My question pertains to retaking classes. You had said that, if a student passed all the classes in a term and he or she wanted to take them all, they wouldn't be eligible for aid for all the classes in that term. But what if all the classes was only one class.

Carney McCullough: I'm sorry. What – if all the classes were what?

Audience: Was only one class. If that's the only class they had in that term.

Carney McCullough: Yeah. That's – that would be fine. In other words, the student had only taken – let's say they had gone in the summer. They took one class, and now they want to repeat that one class that they previously – that they got a D in in the fall. That's fine.

We were – had become aware of the comment period of at least one institution that had a policy that, if you failed a – yeah, if you failed a single class in the entire term, you had to take the entire

term over again, and we said, “No. We’re not – that’s not what we meant here.”

Audience: Thank you.

Carney McCullough: Okay.

Audience: Hi. Just had a quick question about academic plans. Our institution will check progress after each payment period. So, if we put a student on for an academic plan that lasts three semesters or payment periods, are we required to check their progress after each payment period or can we go back to them after their plan is done?

Marty Guthrie: If you put a student on an academic plan, the first payment period of that plan is technically also called probation. Is that – that’s a simultaneous kind of status. So you would need to check the student at the end of the first payment period, and then if you – then it would be determined by what you put in the plan.

Audience: Okay.

Carney McCullough: Did you say you were an institution that checks each payment period anyway?

Audience: Yes.

Carney McCullough: Yeah. So, generally speaking, you would expect that you’d be checking compliance with the plan even –

[Crosstalk]

Marty Guthrie: In any payment period. You wouldn’t want to check a student on an academic plan less frequently than you were checking the remainder of your students.

Audience: Just one more thing, if we deem the student to be ineligible after the spring semester and they attend the fall, we give them a warning. And we would give them aid in the fall then they would do a plan for the next, you know, couple of semesters. Would we have to check them after the spring? We would just check them after the plan is completed.

Carney McCullough: No. I’m not sure I’m following you exactly.

[Crosstalk]

Carney McCullough: If you're an institution that's checking each payment period, you can give the student a payment period of warning.

Audience: So after this fall –

Carney McCullough: They got to pay – they got a warning in the fall. Right?

[Crosstalk]

Carney McCullough: Now, for them to – and they didn't make progress during their warning period. Is that correct?

Audience: Yes.

Carney McCullough: Okay. Then they get the opportunity to appeal. Right? And if you grant the appeal, then the spring semester, they're on probation –

Marty Guthrie: With the plan.

Carney McCullough: With the plan it sounds what you're saying. Right?

Audience: Yes.

Carney McCullough: So, at the end of that spring semester, you have to evaluate them again, and you would be evaluating them according to their plan – the requirements that you put in their plan.

Audience: Okay. Thank you.

Carney McCullough: And if the plan goes on longer than that, you would still – because you're one that's doing it payment period –

Marty Guthrie: Each payment –

Carney McCullough: You would have to evaluate at the end of each payment period.

Marty Guthrie: At the end of each payment period.

Audience: Okay. Thank you.

Carney McCullough: Okay.

Audience: Question about –

Carney McCullough: How about if I have her since you had one before?

Audience: That's fine.

Carney McCullough: Okay.

Audience: Question about ATB and transcripts. If you view the – if a student is transferring in, they bring in a transcript that has the six credits on it, but then that – using that transcript, at your institution, in other words, they're not bringing those credits in, can you still use the transcript?

Carney McCullough: I can't – it's funny. The sound is really bad. Let me see if I repeat – if I understood what you said. You got a student who is coming to you on transfer that doesn't have a high school diploma or GED. Correct? And they bring you a transcript, and at your institution, are you accepting of those credits on transfer?

Audience: Possibly not. The student may not – because they may be using it at that – at our institution. They may not be transferring those hours in, but they have completed six credit hours and you have a transfer –

Carney McCullough: It would have to be they would have had to completed six hours at the other institution that are creditable towards a degree or certificate at your institution. So your registrar or whomever would have to evaluate that transcript and say, "Yes, these six credits would be applicable to ," you know, I'm going to make up like brain surgery and cosmetology. You know, a degree – you know we offer cosmetology degree, and even though they're now enrolling in something else, they do have the credits that are applicable to our associate in occupational science in this area that would be accepted if they were applying to that.

Audience: But they don't have to be actually applied?

Carney McCullough: They don't have to apply to the specific program that the student is enrolled in in your institution. That's correct.

Audience: Okay. So they would never show up in our system. The reason I am asking is because, when a student brings a transcript, we only accept ones that go toward the degree they're going for.

Carney McCullough: Right. You're going to have to – if you're going to use this as the method of the student to establish eligibility, you're going to have to have a very clear audit trail, I would say, of exactly what's going on. You know, that the registrar evaluated these credits. These would be acceptable to this degree at your institution, but

the student is enrolled in this degree. So they're not showing up on their transcript, but you've got it in the –

[Crosstalk]

Audience: Just have it documented.

Carney McCullough: Right. Okay? Yes.

Audience: I'm sorry. I got confused again by something that was said about the SAP. So we have a student that successfully appealed. They got put on probation. They also got put on an academic plan. We review them at the end of the next – at the end of that payment period or the end of the fall semester in this example, but it seemed like you contradicted what you said earlier to me that the plan could extend longer than –

I guess, when we look at them at the end of all and they haven't quite gotten there yet on the academic plan, what are we checking for? I mean what are we –

Marty Guthrie: Well, you're checking to make sure that they're meeting the terms of the plan, that they're making some progress towards –

Audience: Some progress toward the percentage that –

Marty Guthrie: Toward the goal of completing their programming. I mean that's – the plan permits a student to have a little bit more flexibility in regaining their eligible status.

Audience: Okay. So, as long as they didn't withdraw or completely fail or whatever their case might be, they're –

Marty Guthrie: It depends on what – how you – how you –

[Crosstalk]

Audience: Okay.

Marty Guthrie: You know, the regulations aren't specific about what constitutes an academic plan. You have some flexibility to list specific courses and specific grades if you choose to.

Audience: Okay.

Marty Guthrie: Or something that's more general.

Audience: Okay.

Carney McCullough: Or, you know, even something like you've got to complete satisfactorily. You've got to pass all the courses you signed up for, you know. So, you know, don't go fulltime. Go six credits. Would you pass them all? There's tons of flexibility.

Audience: Okay. Okay but as long as they're making progress toward what you set, you're okay to let them continue. Thank you.

Carney McCullough: The plan does need to have an endpoint somewhere along the line, you know.

Audience: Right. No, I understand that. It's just that that was kind of contradicted what I thought you said earlier. Thank you.

Carney McCullough: Okay.

Audience: Hi there. I'm with a community college in Nebraska, and I just have a question regarding max timeframe that I don't think I've heard being covered today. Say if you have a student who is coming and they're working towards a 60 credit hour associate degree program to transfer, and 90 credits is their max timeframe, 150 percent.

If the student is coming into you and applying for aid and you see that they have 30 credits of eligibility left and they've attempted 60 already but need 40 credits to complete their program, we cannot fund them. Is that correct? We can't pay up to max timeframe eligibility. We just can't fund them without an appeal process. Right?

Marty Guthrie: With – and so it would be an appealable item.

Audience: Right.

Marty Guthrie: Maximum timeframe is an appealable item if you choose to –

Audience: Right but am I correct that you don't pay them up until their – you don't pay them for the 30 credits. You just don't fund them unless an appeal is approved.

Marty Guthrie: Sort of like once it becomes mathematically impossible for them to complete –

Audience: Correct.

Marty Guthrie: Within the timeframe, they lose eligibility and would have to appeal.

Audience: And that is correct, right? Okay. Thank you.

Audience: But then you couldn't approve the appeal because they would be over max timeframe.

Carney McCullough: No, you can appeal maximum timeframe.

Audience: You could do it.

Carney McCullough: That's an appealable time.

Audience: It would be the only way you could fund them. Right?

Carney McCullough: Uh-huh.

Audience: No, that was my question.

Carney McCullough: No. If somebody comes up to the point where they mathematically cannot complete within the maximum timeframe, they're not making progress. So their cut off unless they appeal. If they appeal and are satisfactorily granted the appeal then you can continue them, but for example, you would need to probably have them on an academic plan that would say, "You have," what did you say? 40 credits more to go?

Audience: 40 credits to graduate.

Carney McCullough: And, you know, we're going to give you 40 credits or we're going to give you, let's say, I'm trying to do something in a multiple of three. 42 credits, you know, worth of attempted to meet it. So.

Audience: Okay. Thank you.

Audience: Sorry but I'm going to revisit a question that we had earlier on retaking coursework. That I think, in the example that someone asked about, if they got a D and then they took it again and got a W, did you say that you don't have to count that as a retake?

Carney McCullough: That's correct. We said if they had passed it and they – their retake. If they withdraw during their retake, we don't consider that they have retaken it. They could take it again.

Audience: Okay. So, in the Q and A, it says, if they passed with a D and they take it again to improve that grade, if they receive Title Four aid, that's their one try, but you're saying, even if we gave them Title Four aid and they withdrew, that doesn't count?

Carney McCullough: Right. We're saying if they – if you give them the Title Four aid but they didn't complete the retake, we would let them retake it again. That will be coming out in a subsequent Q and A.

Audience: Okay. Thank you.

Audience: I have a question about SAP for transferring students. If a student pretty much clearly is not allowed to have aid at a school and they come to your school, you –

Marty Guthrie: They're ineligible at the previous institution?

Audience: Yeah, you can tell that they were terminated, and so they come to your school. And now they're going to try to start the process there. What do you say about that? Do you think schools should admit them in and give them Title Four aid or recognize –

Marty Guthrie: Are you an open admissions institution?

Audience: I don't know. What does that mean?

Carney McCullough: Well, I guess what we're thinking – generally speaking, if you think about somebody applying to come to your institution, the admissions office is making a decision, when they're admitting them, that they feel that they're capable of completing the academic coursework, of doing the program, et cetera, et cetera. Open enrollment institutions generally accept people. They don't have that type of an evaluation done, you know, for somebody to be admitted. So that's why I was kind of asking that question.

We don't have a requirement by any means. A student – basically, you could build something, I suppose, if you wanted to, into your satisfactory academic progress policy that you were going to look at the GPA. I don't know. We're kind of looking at each and –

Marty Guthrie: We're like – yeah. Don't think we've gotten – we have not received this kind of – this question.

Audience: Yeah. I was confronted with a couple of them this year, and we had to make up something but –

Marty Guthrie: Why don't you email it to me? Would you mind?

Audience: Okay.

Marty Guthrie: Then we'll –

Carney McCullough: We'll look at it.

Marty Guthrie: Take it back and reflect.

Audience: Okay. Thank you.

Audience: Yes. I just have a question about the retaking coursework. You gave the example of, if the student gets a D and then a W, but you had also mentioned an example of, if a student gets a D and then gets an F, can you just address that again for me?

Carney McCullough: Well, I'm assuming they earned the F. That sounds terrible, but the difference between the two is, in the case where they have a W, they didn't complete that payment period. You know, so they didn't complete the retake. In the case of the F, they completed the retake. You know, they completely completed a retake. They just happened to fail it. So we're not going to pay for it again.

Audience: All right. Thank you.

Carney McCullough: Okay.

Audience: My question is about 150 percent max timeframe again because we struggle with this one. When a student meets or is at the 150 percent rule, we used to do some appeals if they were dual degrees because they were working on two degrees at the same time, and they hadn't earned one yet. So we were – we would increase that 150 percent timeframe.

But can you give me an example when – other than that, when you would approve an appeal for 150 percent rule? What would be an approvable –

Marty Guthrie: If a student changes majors, that could –

Audience: But then –

Marty Guthrie: Favor that type of situation.

Audience: That just resets their 150.

Marty Guthrie: It could –

Audience: It just rest it but –

Marty Guthrie: Some schools don't reset the 150 at that point.

Audience: Right.

Marty Guthrie: Some schools say, "You know, you're getting a bachelors degree and we're going to just have the 150 overall."

Audience: Oh, okay.

Marty Guthrie: "And the fact that you started off in a science intensive – or you started off in a humanities intensive and then switched to science and."

Audience: Okay. Well, in our – I'm from Binghamton University in New York, and what we do is if, depending on the school they're in, they have – you know, we start with that basis, say, 120 for this degree. 150 for this degree and just – so we do it by school.

So, if they change their majors, they would then adjust – you know, those credits would adjust. So is that probably the only kind of appealable max timeframe we can think of?

Carney McCullough: And I assume that, when you do that – when you're setting it, you're looking at when somebody transfers between one school and another?

Audience: Right.

[Crosstalk]

Audience: Inter university transfers then we just change it to that max based on that program.

Carney McCullough: The max.

Audience: So we do that already. Yeah. No other –

Marty Guthrie: That seems reasonable.

[Crosstalk]

Audience: Okay. So and then my second question is, if a student is a dual degree major, once they complete one of those degrees, they're done with aid. Correct?

Carney McCullough: They're in a dual degree. They're done – if they're getting a bachelors degree, they're done with eligibility from Pell.

Audience: Once they – okay.

Marty Guthrie: You can get aid for a second bachelors degree in other programs such as loan program. You can get aid for a second bachelors degree.

Audience: Okay. All right. Thank you.

Carney McCullough: Sure.

Audience: Hi. I just had a question on slide 32. The definition about pace. You have it like the number of unit complete divide by number of unit attempted. Right. So, in my SAP policy, we have – every semester, we had a pace. Like we count 66.7 percent. But my question is do we need to count accumulated unit for all of the term with the new SAP policy? Do we have to look back all the term or we don't have to do that?

Carney McCullough: I'm not sure I understand your question. Let me see if I – the sound quality is really terrible here, and also, we're getting ready to –

[Crosstalk]

Carney McCullough: We're getting the stop sign here, too, but let me just see if I understand what you're saying. You said you had a pace requirement that you did on a term by term basis under your old policy.

Audience: Yes.

Carney McCullough: And the new requirements require that you do a cumulative pace requirement. That is true. There's nothing that would stop you from doing a pace requirement, I believe, on a payment term. You can do it term by term pace requirement also as sort of an overlay, but you do still have to do the cumulative one because that's ensuring that the student is able to get there –

[Crosstalk]

Carney McCullough: Timeframe.

Audience: Okay. Thanks.

Carney McCullough: Okay.

Audience: I have a retaking coursework question. We do cost of attendance proration if they're less than fulltime. So, if they're retaking a course, and it takes them from 12 to nine hours, because we're not paying for that extra three hours, would you prorate cost of attendance?

Carney McCullough: Okay. So it's one where it's not eligible for the retaking portion?

Audience: It's not eligible.

Carney McCullough: Then, yes, you would prorate the cost of attendance, for example, for loans and for campus based. For Pell, you're always using fulltime, full year cost, but they'd only be a three-quarter time student. So you would use the three-quarter time payment schedule, for example.

Audience: Okay. Would you also do loan proration if they're in a semester shorter than a whole academic year? So like it's taking them down on that as well?

Carney McCullough: Well, I mean I think – I'm not a real loans expert, but I think you only do the proration on the loans if it's the final term of the program.

Audience: Yeah, the final term.

Carney McCullough: Then I think you would yeah.

Audience: Would as well. Okay. Thank you.

Carney McCullough: Last question.

Audience: Can you please let me know where in the regs it says that the D is a passing grade now?

Carney McCullough: The D is a passing grade. I'm not sure whether it's in one of the Q and As that's been posted. If not, it's going to be in an upcoming one.

Audience: Okay. Thank you.

Carney McCullough: You're welcome.

Marty Guthrie: And thank you very much.

Carney McCullough: Thank you very much for your patience.