

Distance Education

In this chapter, we discuss the applicability of the FSA program requirements to programs offered through distance education. Two types of distance education are defined in the regulations: correspondence and telecommunications programs. Telecommunications programs are treated in the same way as traditional residential programs. Correspondence programs are subject to certain restrictions: no more than 50% of a school's programs may be offered through correspondence study, and no more than 50% of a school's regular students may be enrolled in correspondence programs.

Distance Education refers to any mode of instruction in which there is a separation, in time or place, between the instructor and student.

ED's eligibility regulations define two types of distance education:

- correspondence courses (including some courses offered on video cassettes), and
- telecommunications courses offered via television, audio or computer (including the Internet).

Schools use distance education to respond to students' needs for alternatives to the schedules and locations at which courses traditionally have been offered. The availability of new technologies including the Internet have spurred significant growth in the number and types of distance education programs schools offer.

A school may not refuse to provide FSA funds to a student because he or she is enrolled in correspondence or telecommunications courses unless the courses are not part of an eligible program.

CHAPTER 8 HIGHLIGHTS:

- Telecommunications Courses
 - Television, audio, or computer transmission through open broadcast, closed circuit, cable, microwave, or satellite.
 - Audio and computer conferencing.
 - Video cassettes or disc recordings if that course is delivered to students physically attending classes at the school providing the course during the same award year.
 - Regular and substantive interaction between students and the instructor.
- Correspondence Courses
 - Definition of correspondence course
 - School eligibility: limits on correspondence courses and correspondence students

Correspondence & telecommunications course definitions

34 CFR 600.2

*** NEW * Change in treatment of telecommunications courses**

Under the Higher Education Reconciliation Act of 2005 (HERA), courses offered by telecommunications are no longer considered correspondence courses, and students enrolled in telecommunications courses are no longer considered to be correspondence students. As a result, for an otherwise eligible institution, the 50% limitation on telecommunications courses and telecommunications enrollment no longer applies. The 50% limitations continue to apply to correspondence courses and students.

Based on the HERA changes, the definition of “correspondence course” was revised and a new definition of “telecommunications course” was added to 34 CFR 600.2 in the Federal Register of August 9, 2006.

*** NEW * Accreditation for distance education**

The Department reminded schools in September 2006 that distance education programs must be evaluated by an accrediting agency that is recognized by ED for the purpose of evaluating distance education. This letter included specific instructions on notifying ED if the school intended to seek new accreditation, and updating the E-APP to reflect changes to the school's accreditation. GEN-06-17

Telecommunications & correspondence study at foreign schools

A program offered by a foreign school in whole or in part by telecommunications, by correspondence, or as a direct assessment program is not an eligible program. 34 CFR 600.51(d)

TELECOMMUNICATIONS COURSES * HERA CHANGES *

Telecommunications programs at domestic schools are considered eligible FSA programs if they have been accredited by an accrediting agency recognized by the Department for accreditation of distance education. They are not subject to the rules that apply to correspondence coursework, which are discussed in the next section.

A telecommunications course is one that is offered principally through the use of one or more technologies to deliver instruction to students who are separated from the instructor and to support regular and substantive interaction between these students and the instructor, whether asynchronously or in “real-time.”

These technologies include:

- Television, audio, or computer transmission through open broadcast, closed circuit, cable, microwave, or satellite, and
- audio and computer conferencing.

A course taught through video cassettes or discs is also considered a telecommunications course, but only if the course is delivered to students physically attending classes at the school providing the course during the same award year and if another technology is employed to support interaction between the students and the instructor.

Distance courses that do not qualify as a telecommunications course are considered to be correspondence courses. Programs offered at foreign schools in whole or in part through telecommunications are not eligible programs for FSA purposes.

CORRESPONDENCE COURSES * HERA CHANGES *

Unlike telecommunications courses, which are now treated in the same way as all other eligible programs, some restrictions apply to correspondence courses.

Definition of “correspondence course”

A correspondence course is a home-study course provided by a school under which the school provides instructional materials, including examinations on the materials, to students who are not physically attending classes at the school. When a student completes a portion of the instructional materials, the student takes the examinations that relate to that portion of the materials and returns the examinations to the school for grading.

- If a course is part correspondence and part residential training, the course is considered to be a correspondence course.
- If a school adds telecommunications technology, such as electronic delivery of course materials or an online discussion board, to a correspondence course, the school must ascertain the predominant method of instruction (correspondence or telecommunications), keeping in mind that a telecommunications course must use technology to support regular and substantive interaction between students and the instructor. The school must apply the rules for the predominant method, in administering its participation in the FSA programs.
- A course that is delivered in whole or in part through the use of video cassettes or video discs is a correspondence course unless the school also delivers comparable instruction to students attending resident classes at the school during the same award year.

School eligibility: limits on correspondence courses and correspondence students

If a school offers more than 50% of its courses by correspondence, the school loses its eligibility to participate in the FSA. Similarly, if 50% or more of a school’s students are enrolled in its correspondence courses, the school loses its eligibility to participate in the FSA programs.

Note that the 50% limits apply to the school, not to its individual programs. An educational program composed entirely of correspondence courses could still be an eligible program if no more than 50% of the school’s courses were offered through correspondence, and the program met other eligibility requirements.

This limitation may be waived for a 2-year associate or 4-year baccalaureate degree program if the school can demonstrate to the Department that students enrolled in correspondence courses received no more than 5% of the total FSA program funds awarded

Correspondence courses & institutional eligibility

34 CFR 600.7(a)(1)(i) and (ii)
HEA Sec. 102(a)(3)(A) and (B)

Videocassettes and discs example

A school offers an English 101 course via video cassette and computer conferencing. English 101 is also offered to students physically attending classes at the school during the same award year. In this case this course would be considered a telecommunications course.

The school also offers Art History 302 via video cassette. Art History 302 is **not** offered to students physically attending classes at the school during this award year. In this case this course would **not** be considered a telecommunications course for this award year. It is considered a correspondence course.

A combined correspondence and residential program example

A school offers a truck driving program. The first part of the program is offered via correspondence. After completing the correspondence portion of the program the student has to attend a residential site where he or she actually learns how to drive trucks.

This program is considered a correspondence program.

A school is the sum only of its eligible programs

Some postsecondary institutions offer programs that are eligible for FSA as well as programs that are not FSA-eligible. For FSA program purposes, we consider an eligible institution is the sum of its “eligible programs.”

In order to minimize the effect on its institutional eligibility of offering programs solely by correspondence that do not lead to a degree, a school might choose to identify those programs as not part of its FSA eligible programs.

A program (and students enrolled therein) that was so identified would not be considered part of the school in these two formulas.

Attestation required cite

34 CFR 600.7(g)(2)

to its students in the award year. Also note that the limitations on correspondence courses and correspondence students do not apply to a school that mainly provides vocational adult education or job training (as defined under section 3(3)(C) of the Carl D. Perkins Vocational and Applied Technology Education Act of 1995).

The school’s correspondence course calculation and correspondence student calculation must be attested to by a independent auditor.

Exceptions and other considerations

Some participating institutions contract with distance education providers that are not eligible to participate in the FSA programs. These participating institutions must ensure that they do not exceed the limitations on contractual arrangements (see chapter 7.)

Note that correspondence students enrolled in certificate programs are not eligible for FSA funds. For a full discussion of when a school may pay a student for correspondence study, see *Volume 1, Chapter 1*. Also see *Volume 3, Chapter 2* for limitations on the cost of attendance for correspondence students and *Volume 4, Chapter 2* for the timing of disbursements to correspondence students.

Calculating the percentage of correspondence courses

- If a school offers a course both by correspondence and residential training, the course counts twice, as a correspondence course and as a residential course. Thus, it would count as one in the numerator and as two in the denominator.
- Regardless of how many sections of a course or program are offered during the award year (as a residential or as a correspondence course), the course is counted only once under each type.
- A program not offered in courses or modules counts as one correspondence course.

Using the latest complete award year, the formula for determining the percentage of correspondence courses is as follows:

$$\frac{\text{number of school's correspondence courses}}{\text{total number of school's courses}} = \% \text{ of correspondence courses}$$

Calculating the percentage of correspondence students

- All enrolled regular students must be counted. (A regular student is “a person enrolled for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by the school.”)
- A school must use a straight head count of enrolled students, including full-time and part-time students and students who don’t receive aid as well as FSA recipients.
- If a student withdrew from the school and received a full refund the student is not counted.

Using the latest complete award year, the formula for determining the percentage of enrolled students is as follows:

$$\frac{\text{number of regular students enrolled in the school's correspondence courses}}{\text{number of regular students enrolled in all of the school's courses}} = \% \text{ of correspondence students}$$