

# BREAKOUT SESSION #10

## Maintaining Your Institutional Eligibility

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U.S. Department of Education

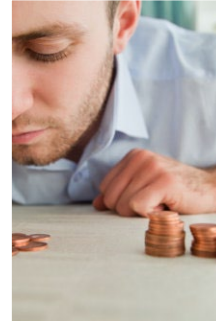
2024 FSA Training Conference for Financial Aid Professionals

# WHAT IS INSTITUTIONAL ELIGIBILITY?

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When a school is eligible and certified to participate, all qualifying students may receive *Title IV* federal student financial aid.



When a school is not eligible, the school's otherwise eligible students may not receive *Title IV* federal student aid and other types of federal education benefits.



Maintaining institutional eligibility and participation helps eligible students access federal student aid program funds to pay their costs of attendance.

# AGENDA

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1. Learning the Basics
2. Understanding Eligibility and Certification
3. Reporting Changes
4. Applying for Recertification
5. Avoiding Common Pitfalls

# LEARNING THE BASICS


The E-App, PPA, and ECAR

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# LEARNING THE BASICS

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Understanding basic terminology and functionality to key eligibility elements are essential to maintaining institutional eligibility.



WHAT IS AN E-APP?



WHAT IS THE DIFFERENCE BETWEEN THE PPA AND ECAR?



WHAT ARE THE APPROVAL AND ACKNOWLEDGEMENT NOTICES?



# E-APP

*The Electronic Application (E-App) is the Application for Approval to Participate in the Federal Student Financial Aid Programs*

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## NEW PLATFORM

- Access E-App through FSA Partner Connect at [fsapartners.ed.gov](https://fsapartners.ed.gov)
- Answer new questions when completing first E-App in FSA Partner Connect

## UTILITY

- Apply for recertification
- Report all eligibility changes including:
  - Change of officials
  - Additional locations
  - Educational program updates



# ACCESS THE E-APP

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- School's Primary Administrator controls access to FSA Partner Connect
- School's Eligibility & Oversight Administrator (E&O) controls access to the E-App within FSA Partner Connect
- Contact Customer Support for access assistance
  - Complete online form at <https://fsapartners.ed.gov/help-center/contact-customer-support>
  - Call FSA Partner and School Relations Center at 1-800-848-0978

# THE PROGRAM PARTICIPATION AGREEMENT (PPA)

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- Outlines the requirements schools must follow
- The required agreement for the school to begin or continue *Title IV* participation
- Becomes effective when countersigned by ED, and a new PPA replaces a school's prior PPA
- Needs to be retained with a copy of the most recent Eligibility and Certification Approval Report



# THE ELIGIBILITY AND CERTIFICATION APPROVAL REPORT (ECAR)

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- Summarizes and defines the approved scope of the school's participation, programs, location, officials, etc.
- Updated with each acknowledged or approved change
- The current ECAR must be retained with the PPA

# APPROVAL AND ACKNOWLEDGEMENT NOTICES

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- Addendum to the most recent PPA
- Issued in response to changes reported on the E-App
- All notices need to be retained with the PPA and the updated ECAR

# UNDERSTANDING ELIGIBILITY AND CERTIFICATION

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# UNDERSTANDING ELIGIBILITY AND CERTIFICATION

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## STATE AUTHORIZATION

Be legally authorized by a state as a postsecondary school



## ACCREDITATION

Be accredited by an Accrediting Agency recognized by ED for *Title IV* purposes



## PROGRAMS

Provide an eligible program



## ADMISSION

Admit people with a high school diploma or equivalent; or people beyond the age of compulsory school attendance in the state

# UNDERSTANDING ELIGIBILITY AND CERTIFICATION

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## COURSES

Provide no more than 50% of its courses by correspondence



## ATTENDANCE

Have less than 50% of its regular students attend by correspondence



## REGULAR STUDENTS

Have no more than 25% of its regular students be incarcerated



## LAW ABIDING

Must not have a bankruptcy, be convicted of a crime involving *Title IV* funds or fraud by school or owner

# UNDERSTANDING ELIGIBILITY AND CERTIFICATION

*Types of Certification for Participation in HEA Title IV Programs*

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## FULL CERTIFICATION

- Up to 6 years
- Self-certification options

## PROVISIONAL CERTIFICATION

- 1 to 3 years
- Conditional provisions are listed on PPA

# REPORTING CHANGES

Acknowledgements

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# REPORTING CHANGES

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**ACKNOWLEDGEMENTS**

**CHANGES TO SCHOOL  
DEMOGRAPHICS**



**UPDATES TO  
SCHOOL  
PERSONNEL**



**NEW OR  
MODIFIED  
CONTRACTS**

# SCHOOL INFORMATION

## ACKNOWLEDGEMENTS

- Change to the name of the school
- Change of address for main or additional location
- Closure of a previously approved location



# EDUCATIONAL PROGRAMS

## ACKNOWLEDGEMENTS

- Change from/to clock-hours or credit-hours
- Decrease in the level of educational programs
- Change of educational program name, SOC Code, CIP Code, or credential level
- Discontinuation of educational program for 12 months

# SCHOOL OFFICIALS

## ACKNOWLEDGEMENTS

- Changes to institutional officials
- New person/entity acquires 5% or greater ownership without a change in control
  - 25% or greater, report within 10 days
  - 5% but less than 25%, report quarterly

# BOARD OF DIRECTORS

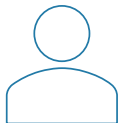
## ACKNOWLEDGEMENTS

Board of Directors includes boards of trustees, regents, or other named boards that have decision making power

### Change in members of Board of Directors



Private Non-Profit and Proprietary schools – Must report entire board of directors



Public schools – Must report Chair of the board and Secretary of the board

# CONTRACTS

## ACKNOWLEDGEMENTS

- Written arrangement with an ineligible institution or organization to provide any part of an educational program
- Change of third-party servicer
- New or significantly modified contract with a third-party servicer
- Termination of a contract with a third-party servicer
- Third-party servicer under contract goes out of business or files bankruptcy

# REPORTING CHANGES

Approvals

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# REPORTING CHANGES

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APPROVALS

CHANGE IN  
ACCREDITING  
AGENCY

CHANGE IN  
OWNERSHIP OR  
STRUCTURE



ADDING A NEW  
LOCATION



EXPANDING  
EDUCATION  
PROGRAM  
OFFERINGS

# CHANGE IN ACCREDITING AGENCY

## APPROVALS

When adding or changing accrediting agencies:



Notify FSA in writing of intent to change primary accrediting agency or add a new accrediting agency



Get ED approval before submitting application to new accrediting agency



Update E-App “primary accreditor” indicator **after** new accreditation has been secured

# CHANGE IN OWNERSHIP OR STRUCTURE, AND CONTROL

## APPROVALS

- Acquisition of 25% ownership interest is considered a change in control

To continue eligibility during transition:

Notify students and ED 90 days prior to the change (See Electronic Announcement [GENERAL-23-77](#) *Compliance with the Change in Ownership 90-Day Advance Notification*)

Submit a “materially complete application” so ED receives it no later than 10 business days after the day the change in ownership occurs

# NEW LOCATIONS

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## APPROVALS

- ECAR lists the main location
- ECAR lists approved additional locations



# NEW LOCATIONS – REPORTING REQUIREMENTS

## APPROVALS

- Any location where 50% or more of an educational program is offered must be reported
- Any Federal, State, or local penitentiary, prison, jail, reformatory, work farm, juvenile justice facility, or similar correctional institution, even if a student receives instruction primarily through distance education or correspondence at that location must be reported

# NEW LOCATIONS – DISBURSEMENT APPROVAL

## APPROVALS

- School must receive approval before disbursing *Title IV* funds if the school is:
  - Provisionally certified
  - On heightened cash monitoring or reimbursement
  - Acquiring the assets of another school
  - Subject to a loss of eligibility due to cohort default rates, or
  - Required by ED to apply for and receive approval before disbursing *Title IV* funds



# NEW LOCATIONS - CONSULTATION

## APPROVALS

- To streamline the application review process, schools should consult with their School Participation Division if:
  - Location was a facility of another school that has since closed
  - School is providing a teach-out of a closing school at the closing school's location
  - Location is changing affiliation (is currently an approved school, or an approved location of another school)



# NEW LOCATIONS - DISBURSEMENTS

## APPROVALS

- If not required to wait for approval, the school may disburse *Title IV* funds to enrolled students after submitting the E-App and all required documentation

# NEW LOCATIONS – ED REVIEW

## APPROVALS

- ED will review applications for all reported locations to:
  - Ensure location meets eligibility requirements
  - Evaluate the school's administrative and financial capability (if location approval is required)
- If approved, school may disburse/continue to disburse funds after receiving approval letter
- If not approved, school is liable for disbursements made

# NEW LOCATIONS - ELIGIBILITY REQUIREMENTS

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## AGENCY APPROVALS

Location information on accrediting agency and state approval documents matches reported location details



## STREET ADDRESS

Address is a physical location where students attend class in-person



## SHARED LOCATION

If at the site of a current or former eligible location, relationship reported, and eligibility established



## FUNDING PLANS

Need for Direct Loan code and/or Federal School Code for the location has been determined

# NEW EDUCATIONAL PROGRAMS

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## APPROVALS

- ECAR lists the eligible credential levels
- ECAR lists the eligible programs approved by ED
  - Only programs that are required to be reported, or those voluntarily reported, will appear on the ECAR

# NEW EDUCATIONAL PROGRAMS – SCHOOL CONDITIONS

## APPROVALS

- The school must submit an E-App reporting new educational program(s) *and obtain approval* before disbursing funds if the **school** is:
  - Provisionally certified
  - On heightened cash monitoring or reimbursement
  - Required by ED to apply for and receive approval before disbursing *Title IV* funds

# NEW EDUCATIONAL PROGRAMS – PROGRAM CONDITIONS

## APPROVALS

- The school must submit an E-App reporting the new educational program(s) *and obtain approval* before disbursing funds if the **program** is:
  - A short-term program that does not admit as regular students only persons who have completed the equivalent of an associate degree
  - Measured by direct assessment and is the first such program at that level
  - A Comprehensive Transition and Postsecondary (CTP) Program for students with intellectual disabilities
  - A Prison Education Program (PEP) and is the first such program at the first two locations (See Electronic Announcement GENERAL-24-118 *Revised Instructions for Applying for Prison Education Programs*)

# NEW EDUCATIONAL PROGRAMS – PROGRAM CONDITIONS

## APPROVALS

- The school must submit an E-App reporting the new educational program(s), *but is not required to wait for approval* before disbursing funds if the **program** is:
  - Required to prepare a student for “gainful employment in a recognized occupation” and the school is not otherwise required to receive approval for the program
  - A second or subsequent direct assessment program at a credential level
  - A second or subsequent Prison Education Program at the first two locations, or all programs at third and subsequent locations

# NEW EDUCATIONAL PROGRAMS – OPTIONAL REPORTING

## APPROVALS

- If the school/program does not meet the criteria for required reporting, schools may make a self-determination of eligibility for new educational program(s), and then disburse funds to students without obtaining ED approval
  - School must receive state and accrediting agency approvals, and confirm the program meets any other requirements
  - Schools may report programs for which they have made a self-determination



# NEW EDUCATIONAL PROGRAMS – ED REVIEW

## APPROVALS: NEW EDUCATIONAL PROGRAMS

ED will review applications for all reported educational programs to:

- Ensure reported programs meet eligibility requirements
- Evaluate the school's administrative and financial capability (if program approval is required)
- Add to the ECAR eligible programs; the school may disburse/continue to disburse funds after receiving their approval letter
- Notify school if not approved; school is liable for disbursements made

# NEW EDUCATIONAL PROGRAMS ELIGIBILITY REQUIREMENTS

## APPROVALS



### AGENCY APPROVALS

Program information on accrediting agency and state approval documents matches reported program details



### CIP CODE

Classification of Instructional Programs (CIP) Code from 2020 CIP list is consistent with name of program



### SOC CODE

Standard Occupational Classification (SOC) Code, from U.S. Bureau of Labor Statistics, is consistent with CIP code,



### PROGRAM LENGTH

Meets minimum weeks and clock or credit hours for credential level

# NEW EDUCATIONAL PROGRAMS ELIGIBILITY REQUIREMENTS

## APPROVALS



### STATE REQUIREMENT

Does not exceed the minimum number of clock-hours established by the appropriate state for training in the occupation



### CLOCK TO CREDIT CONVERSION

If measuring in credit hours, meets requirements to offer program in credit hours, or credit hours are converted from clock hours based on hours of instruction



### DIRECT ASSESSMENT

Meets requirements if Direct Assessment Program



### CTP PROGRAM

Meets requirements if Comprehensive Transition and Postsecondary (CTP) Program, and uses 2020 CIP Code 30.0001

# NEW EDUCATIONAL PROGRAMS ELIGIBILITY REQUIREMENTS

## APPROVALS



### PRISON EDUCATION PROGRAM

- Create educational program
- Partner with correctional facility
- Establish agreement with oversight entity
- Provide documentation

# REPORTING PROCESS

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## ACKNOWLEDGEMENTS & APPROVALS

- Complete the E-App
- Submit Supporting Documentation
- Receive Response



# SUBMIT DOCUMENTS

## ACKNOWLEDGEMENTS AND APPROVALS

School must submit to ED:

- 1. Accrediting agency and state/foreign government authorization approvals for changes or additions
- 2. Any documentation required for specific type of change reported
- 3. E-App signed by the appropriate school official identified on the E-App as the Signature Authority

# FINALIZE UPDATES

## ACKNOWLEDGEMENTS AND APPROVALS

After your application has been reviewed, you will receive directions to review, and save a copy of:

- the acknowledgement or approval letter
- the updated ECAR

# APPLYING FOR RECERTIFICATION

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# APPLYING FOR RECERTIFICATION

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All participating schools must go through a recertification process to maintain eligibility to participate in the *HEA, Title IV* Programs

## APPLICATION TIME FRAMES & DEADLINES



## PREPARATION BEFORE STARTING THE RECERTIFICATION APPLICATION



## COMPLETING THE RECERTIFICATION PROCESS



# APPLYING FOR RECERTIFICATION

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- Participating schools must timely apply for recertification to continue *Title IV* participation beyond the PPA expiration date
- Recertification is completed prior to the “Approval Expiration Date” listed at the top of the first page of the PPA

# APPLYING FOR RECERTIFICATION

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- The Recertification E-App should be submitted by the “Reapplication Date”
- The Reapplication Date is located at the top of the first page of the PPA, immediately below the Approval Expiration Date
- The Reapplication Date, or E-App due date, is three months before the PPA expiration date

# APPLYING FOR RECERTIFICATION

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- If a complete application is submitted before the Reapplication Date, the PPA will automatically be extended month-to-month until the review of your application is completed by an Eligibility Analyst

*For more information, see the 2024-25 FSA Handbook, Volume 2 School Eligibility and Operations, Chapter 5 Updating Application Information*

# PREPARATION

## APPLYING FOR RECERTIFICATION

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### STATE AUTHORIZATION

Obtain a copy of current state authorization documents (both approval letter and list of approved programs, if applicable)



### ACCREDITATION

Obtain a copy of current accreditation documents (both approval letter and list of approved programs, if applicable)



### BOARD MEMBERS

Obtain current information about members of the Board of Directors/Trustees/Regents, and information about member associations with other schools

# PREPARATION

## APPLYING FOR RECERTIFICATION

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### CIP AND SOC CODES

Obtain a list of the CIP Codes reported to IPEDS and compare them against programs reported on the application, and identify at least one SOC Code for each program



### POLICIES AND PROCEDURES

Ensure school's policies and procedures are complete and reflect actual practices



### CONSUMER INFORMATION

Ensure all information is available according to the Consumer Information FSA Assessment

# ONLINE E-APP

*Applying for Recertification*

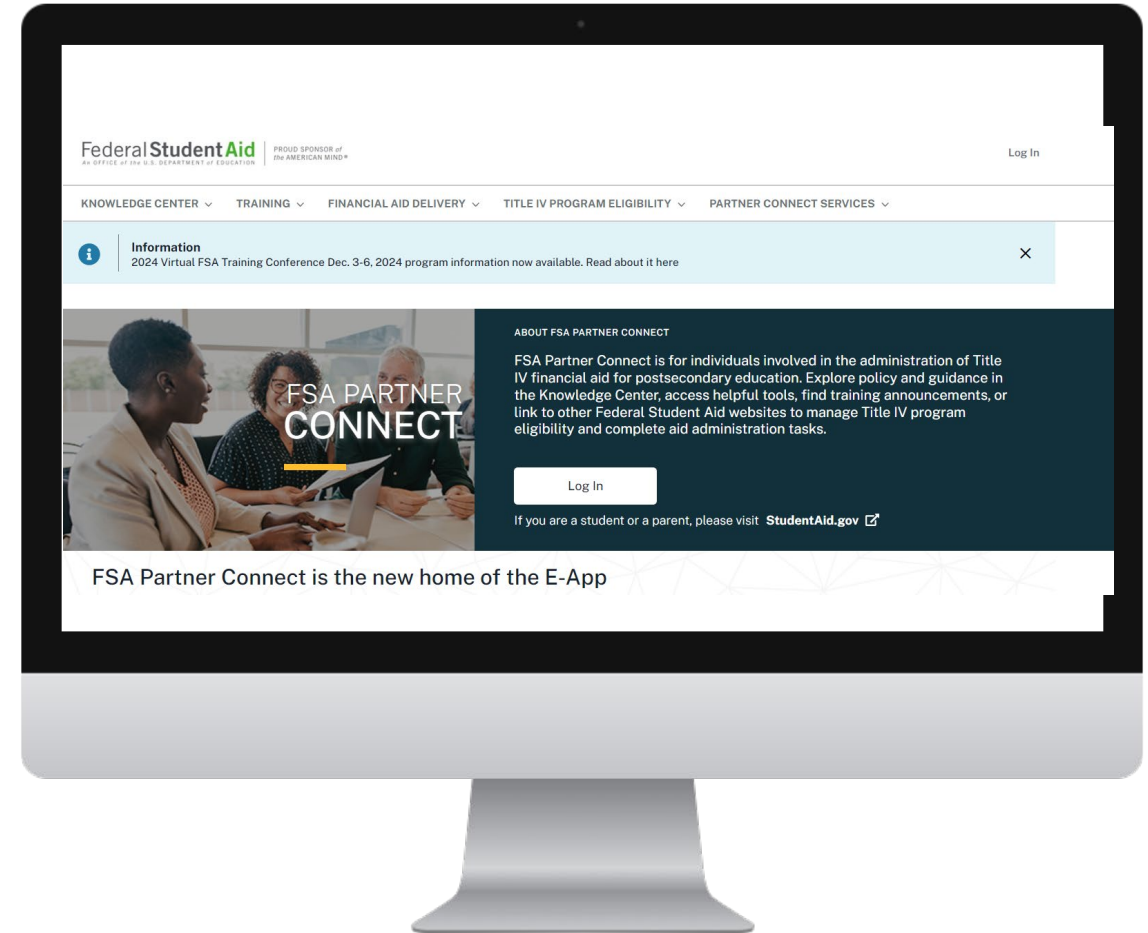
Log in at [fsapartners.ed.gov](https://fsapartners.ed.gov)



Select Title IV Program Eligibility menu



Access the Title IV Participation Application





# PROCESS

## APPLYING FOR RECERTIFICATION

REVIEW AND UPDATE E-APP	SUBMIT DOCUMENTATION	REVIEW, SIGN, RETURN PPA	RECEIVE ED SIGNED PPA	SET REMINDERS
<p>Select the "Recertification" purpose.</p> <p>Review and update all sections of the E-App.</p>	<p>Upload all required documents.</p> <p>Submit the E-App.</p> <p>Notify Signature Authority to watch for DocuSign email.</p> <p>Monitor email for requests from ED for additional information.</p>	<p>Review your new PPA. Note whether your school is fully or provisionally certified.</p> <p>Ensure PPA is signed by all required signatories within 30 days.</p>	<p>PPA will be returned to you, countersigned by ED. Save the countersigned PPA.</p> <p>Review, and save a copy of, the updated ECAR</p> <p>Note any provisions or other conditions on the PPA.</p>	<p>Mark the Expiration Date and Reapplication Deadline on your calendar.</p>



# PPA SIGNATURE REQUIREMENT

## RECERTIFICATION

President or CEO of institution must sign the PPA

For a proprietary or private nonprofit institution, PPA must be co-signed by an authorized representative of an entity with direct or indirect ownership if the entity has the power to exercise control over the institution

Examples:

- Entity has at least 50 percent control over the institution.
- Entity has the power to block significant actions.
- Entity holds a 100 percent direct or indirect interest in the institution.
- Entity provides audit financial statements to meet ED regulations.

See 34 C.F.R. 668.14(a)(3)

PPA may include request for signatures from certain individuals who exercise substantial control over institutions

(See Electronic Announcement GENERAL-23-11 *Establishing Personal Liability Requirements for Financial Losses Related to the Title IV Programs*)

# ENSURE ELIGIBILITY

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# AVOIDING COMMON PITFALLS

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Errors and oversights can delay application processing.

**HAVE  
CONVERSATIONS  
WITH SCHOOL  
ADMINISTRATORS**



**REVIEW  
APPLICATION  
BEFORE  
SUBMITTING**



**CONTACT THE  
SCHOOL  
PARTICIPATION  
DIVISION**



# BE DILIGENT

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- Review all sections of the eApp and include all necessary and mandatory updates
- Contact your SPD if you have questions or are unsure about a response



# REPORT UPDATES

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- If reporting more than one update on an Update E-App, identify EACH purpose
- If updates are reported on a recertification application, identify “Recertification” as the only purpose
- Pay attention when changing officials, directors and owners
  - Follow the application instructions carefully to avoid changing the name when you intend to change the person
- Ensure phone numbers and email addresses for officials are direct lines and unique, not general campus information

# SUBMIT

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- Submit state/foreign government and accrediting agency approval letters with a list of approved programs (if applicable)
- Click the submit button
- Ensure the Signature Authority receives the email and signs the E-App via DocuSign
  - Look for email from **dse\_NA4@docuSign.net**



# SCHOOL ELIGIBILITY AND OVERSIGHT SERVICE GROUP (SEOSG)

**Martina Fernandez-Rosario – Director, School Eligibility and Oversight Services Group**  
**202-453-6744**

School Eligibility and Oversight Services Group General Number: 202-377-3173 or email: [CaseTeams@ed.gov](mailto:CaseTeams@ed.gov)

Or call/email the appropriate School Participation Division team below for information and guidance on audit resolution, financial analysis, program reviews, school and program eligibility/recertification, and school closure information.

## **New York/Boston School Participation Division**

*Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont,  
New Jersey, New York, Puerto Rico, Virgin Islands*

E-mail Mailbox: [NYBostonSPD@ed.gov](mailto:NYBostonSPD@ed.gov)

**Vanessa Dillard, Division Chief** 202-539-9075

**Jen Uhler, Branch Chief** 202-987-0239

**Ed Buckley, Branch Chief** 202-987-0338

**Vacant, Branch Chief**

## **Philadelphia School Participation Division**

*District of Columbia, Delaware, Maryland, Michigan, Pennsylvania, Virginia,  
West Virginia*

E-mail Mailbox: [PhiladelphiaSPD@ed.gov](mailto:PhiladelphiaSPD@ed.gov)

**Sherrie Bell, Acting Division Chief** 202-987-1961

**Manny Loera, Branch Chief** 202-987-1960

**Bronsdon Thompson, Branch Chief** 202-377-3747

**Vacant, Division Chief**

## **Multi-Regional and Foreign Schools Participation**

### **Division**

E-mail Mailbox: [Multi-RegionalSPD@ed.gov](mailto:Multi-RegionalSPD@ed.gov)

[FSA.Foreign.Schools.Team@ed.gov](mailto:FSA.Foreign.Schools.Team@ed.gov)

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**Mark Buszkohl, Branch Chief - Foreign Schools** 202-539-9060

**Vacant, Branch Chief**

**Vacant, Branch Chief**

## **Atlanta School Participation and Financial Analysis**

### **Division**

*Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina*

E-mail Mailbox: [AtlantaSPD@ed.gov](mailto:AtlantaSPD@ed.gov)

**Christopher Miller, Division Chief** 404-974-9297

**Vinita Simpson Miller, Branch Chief** 404-974-9260

**Alicia Scott, Branch Chief** 404-974-9491

**Tana Lyons, Branch Chief - Financial Analysis** 202-987-1352

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## **Dallas School Participation Division**

*Arkansas, Louisiana, New Mexico, Oklahoma, Texas*

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**Kim Peeler, Branch Chief** 214-661-9471

## **Kansas City School Participation and**

### **Third-Party Services Division**

*Iowa, Kansas, Kentucky, Missouri, Nebraska, Tennessee*

E-mail Mailbox: [KansascitySPD@ed.gov](mailto:KansascitySPD@ed.gov)

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**Kathy Feith, Branch Chief** 816-268-0406

**Edmaly Rodriguez, Branch Chief - TPS** 202-987-0246

## **Chicago/Denver School Participation Division**

*Illinois, Minnesota, Ohio, Wisconsin, Indiana, Colorado, Montana, North  
Dakota, South Dakota, Utah, Wyoming*

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**Jason Charlton, Branch Chief** 202-215-8938

**Tammi Sawyer, Branch Chief** 312-730-1531

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## **San Francisco/Seattle School Participation Division**

*American Samoa, Arizona, California, Guam, Hawaii, Nevada, Palau,  
Marshall Islands, North Marianas, State of Micronesia, Alaska, Idaho,  
Oregon, Washington*

E-mail Mailbox: [Sanfrancisco.Seattle.SPD@ed.gov](mailto:Sanfrancisco.Seattle.SPD@ed.gov)

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## **SEOSG Front Office**

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# QUESTIONS?

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