Session #40

Schools Planning to Add a Program or Location

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This Session will Cover:

- When a school must request approval to add programs and locations

- Other changes and updates a school must report

- How to report changes and updates using the Electronic Application for Approval to Participate in the Federal Student Financial Aid Programs (E-App)

Eligibility Documents

- E-App

- Program Participation Agreement (PPA)

- Eligibility and Certification Approval Report (ECAR)

Eligibility References

- Code of Federal Regulations (CFR)
  - 668.14 – PPA
  - 600.10 – Extent of Eligibility
  - 600.20 – Application Procedures
  - 600.21 – Updating Application Information
  - 600.31 – Change in Ownership
  - 600.32 – Additional Locations
  - 668.25 – Third-Party Servicer Contracts
- FSA Handbook, Volume 2, Chapter 5

Adding Programs

- ECAR lists the programs that are eligible

- Eligibility does not automatically include new programs

- In some cases, the school must wait for ED approval

Adding Programs – School Determination of Eligibility

- There are two cases in which a school may determine program eligibility without prior ED approval

  1. The added program leads to an associate, bachelor's, professional, or graduate degree and the school has already been approved to offer programs at that level* or

  *If not approved for that level or higher, school would request an Increased Level of Offering

Adding Programs – School Determination of Eligibility

2. Unless the school is provisionally certified, the added program provides at least a 10-week (of instructional time) program of
   - 8 semester hours
   - 12 quarter hours, or
   - 600 clock hours, and

Adding Programs – School Determination of Eligibility

- Prepares students for gainful employment in the same or related recognized occupation as an educational program that the Department already has designated as an eligible program at the school

Adding Programs – School Determination of Eligibility

- Before a school may determine program eligibility, required state and accrediting agency approvals must be obtained
- Include "self-certified" program on next recertification
- School is liable for FSA funds if self-determination of eligibility is found to be incorrect

Adding Programs - ED Approval Required

- ED approval needed for programs under 600 clock hours

  - Must be in existence for one year

  - 70% completion and placement rates

  - School must apply for and wait for written approval from ED before awarding FSA funds to students in the program

Adding Programs - ED Must Approve all other Programs

- School must submit an E-App and copies of accrediting agency and state approvals
- ED will evaluate the new program
- If approved, a revised ECAR and Approval Letter is issued
- School may disburse funds after receiving Approval Letter

Adding Programs - Limitations

- For schools subject to the two-year rule, during initial period of participation

  - ED will not typically approve programs that expand eligibility beyond current ECAR

  - May not award FSA funds for a program that is not included in approval documents

Adding Locations

- ECAR lists the locations that are eligible
- Eligibility does not automatically include separate locations and extensions
- If 50% or more of an educational program is offered at a new location, the school must notify ED
  - In some cases, the school must wait for ED approval

Reporting a New Location

- School must not disburse FSA funds at a new location before

  – Location reported to ED via the E-App

  – Supporting documents submitted
    - State legal authorization
    - Accrediting agency approval

Applying for Approval of a New Location

- Must wait for approval before disbursing FSA funds if the institution is

    - Provisionally certified

    - On cash monitoring or reimbursement

    - Acquiring assets of another institution

Applying for Approval of a New Location

- Must wait for approval if (cont.)

  - Subject to a loss of eligibility under 668.188 (default rates), or

  - Required by ED to report and wait

Eligibility of Additional Locations

- Location not required to satisfy the two-year rule unless
  - Location was a facility of another school that has closed
  - Applicant school acquired, either directly or indirectly from closed school, the assets at the location, and
  - The school acquired is not making payments in accordance with a repayment agreement with ED

Eligibility of Additional Locations

- Additional location is not required to satisfy two-year rule if applicant school who acquires another school agrees
  - To be liable for all improperly expended or unspent FSA funds
  - To be liable for all unpaid refunds owed to FSA recipients, and
  - To abide by the policy of the closed school regarding refunds of institutional charges to students

Teach-outs at Closed School Locations

- Closed school location may be eligible as an additional location of applicant school *for conducting a teach-out*
  - If teach-out is approved by the school's accrediting agency, and
  - ED has taken limitation, suspension, termination, or emergency action against closed school

Teach-outs at Closed School Locations

- Closed school location may be eligible as a *permanent* additional location of applicant school without having to satisfy two-year requirement, assume liabilities, or absorb default rate of closed school, if
  - Location was approved for purposes of conducting a teach-out
  - Institutions are not related parties
  - No common owners or managers

Reporting Other Changes — Two Categories

- Report and wait for approval—must receive approval before disbursing aid
- Report and go—not required to wait for approval before disbursing aid
  - Must notify ED by reporting the change and the date of the change via the E-App within ten calendar days of the change

Report and Wait—Other Changes that Require ED Approval

- Institution changes its primary, institution-wide accrediting agency, or state authorizing agency
  - The change must be approved, but prior to the change, the institution must notify FSA in writing when it begins the process to change its accrediting agency, including the reason for the change

Report and Wait—Other Changes that Require ED Approval

- Change in institutional structure
- Change in ownership
  - Pre-acquisition review—45 days prior to date of purchase
  - Materially complete application required within ten days of purchase to prevent loss of eligibility

Report and Wait—Other Changes that Require ED Approval

- Change in type of ownership

- Merger

- Reinstatement

- Redesignation of main location

Report and Wait—Other Changes that Require ED Approval

- Increase in the level of education programs beyond the scope of current approval

- Changing the FSA programs for which the school is approved (approvals from accrediting agency and state authorizing agency are not required)

Report and Wait—Other Changes that Require ED Approval

- Initial Application
  - Eligibility (Deferment) Only
  - Certification

- Recertification
  - Apply at least 90 days prior to expiration of PPA
  - Reminder e-mail will be sent (keep e-mail addresses updated)

Report and Wait—The Process

- When a change that requires approval occurs, a school must notify ED
  - Via E-app
  - Within ten calendar days
- School must send to ED
  - Copies of the approval for the change
  - Any required documentation
  - Section L of the E-App containing original signature of the appropriate person

Report and Go—Other Changes that do not Require ED Approval

- Change to the name of the school

- Change to the CEO, president, or chancellor

- Change to the CFO

- Change to the financial aid administrator

START HERE
GO FURTHER
FEDERAL STUDENT AID®

Report and Go—Other Changes that do not Require ED Approval

- Change in governance of a public institution
  - (e.g., change from county control to state control)

- Decrease in the level of program offering
  - (e.g., school drops all its graduate programs)

- Change from or to clock hours or credit hours

Report and Go—Other Changes that do not Require ED Approval

- Address change for a principal location

- Name or address change for other locations

- Change to the school's third-party servicers that deal with FSA program funds

START HERE
GO FURTHER
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Report and Go—Other Changes that do not Require ED Approval

- Foreign gift reporting (HEA Sec. 117 and DCL GEN-04-11)
  - Must report applicable gifts by January 31st or July 31st, depending upon when gift is received
- Voluntary withdrawal from some or all of the Title IV Programs

How to Submit Changes

- Use E-App to submit changes and updates
  - www.eligcert.ed.gov

- In Section A, Question 1, select "Update Information" box

- Select the specific updates from the pick list; if purpose doesn't appear in list, select next box, "Other," and type the purpose in space provided

START HERE
GO FURTHER
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How to Submit Changes

- Complete the information for the appropriate questions and Section L of the E-App

- Mail the signature page (Section L) and the supporting documents listed in Section M to the address indicated

Features of the E-App

- Pre-populated questions
- Help text
- Edit checks
- Status messages
- Skip logic (automatically skips "not applicable" questions)

Schools Portal: E-App for Schools

FSA

U.S. Department of Education
Federal Student Aid

"We Help Put America Through School"

E-App Features

:: Use the E-App to recertify or update information

:: After you finish your application, you must submit it to ED

:: Check Status of Application

:: Display your Application

:: Display your PPA/ECAR

:: Information for Initial Applicants

:: How to customize your mailing address for FSA publications

:: Display a list of the most common changes a school must report

Other Features

:: Update your Federal School Code Addresses which are used by the FAFSA

:: Instructions for assigning a new Direct Loan E-Code or deactivating an existing Direct Loan Code

Schools Portal | **Feedback** | **Privacy**

Welcome to the Electronic Version of the *Application for Approval to Participate in the Federal Student Financial Aid Programs*

Postsecondary institutions use the E-APP to apply for designation as an eligible institution, initial participation, recertification, reinstatement, change in ownership, or to update a current approval.

Updates include changes such as, but not limited to, name or address change, new location or program, increased level of offering, change of officials, or mailing address for publications.

HELP FROM YOUR CASE TEAM

For help with the Web site, your user ID or password, or in filling out the E-APP, please contact the Case Team for your state.

FSA CASE TEAMS

:: **Boston** (CT, ME, MA, NH, RI,VT) 617-289-0133	:: **Dallas** (AR, LA, NM, OK, TX) 214-661-9490
:: **New York** (NJ, NY, PR, Virgin Islands) 646-428-3750	:: **Kansas City** (IA, KS, KY, MO, NE, TN) 816-268-0410
:: **Philadelphia** (DC, DE, MD, PA, VA, WV)	:: **Denver** (CO, MI, MT, ND, SD, UT, WY)

Application for Approval to Participate in Federal Student Financial Aid Programs

Enter Network Password

Please type your user name and password.

Site: www.eligcert.ed.gov

Realm   EAPP Login

User Name   [   ]

Password   [   ]

☐ Save this password in your password list

[OK]   [Cancel]

ED + 8-digit OPE ID No.

ED + 9-digit Taxpayer ID No.

...icipate in Federal Student Financial Aid Programs"

...onic application

Introduc...

Help

Login He...

Section A

Questions 1-9   *General questions*
Questions 10-12   *CEO, chief financial officer, and financial aid director*
Questions 13-14   *Correspondence recipient and application contact*

Section B

Adding Comments to the E-App

- To provide additional information about the application, or data on the application, use Section K, Question 69
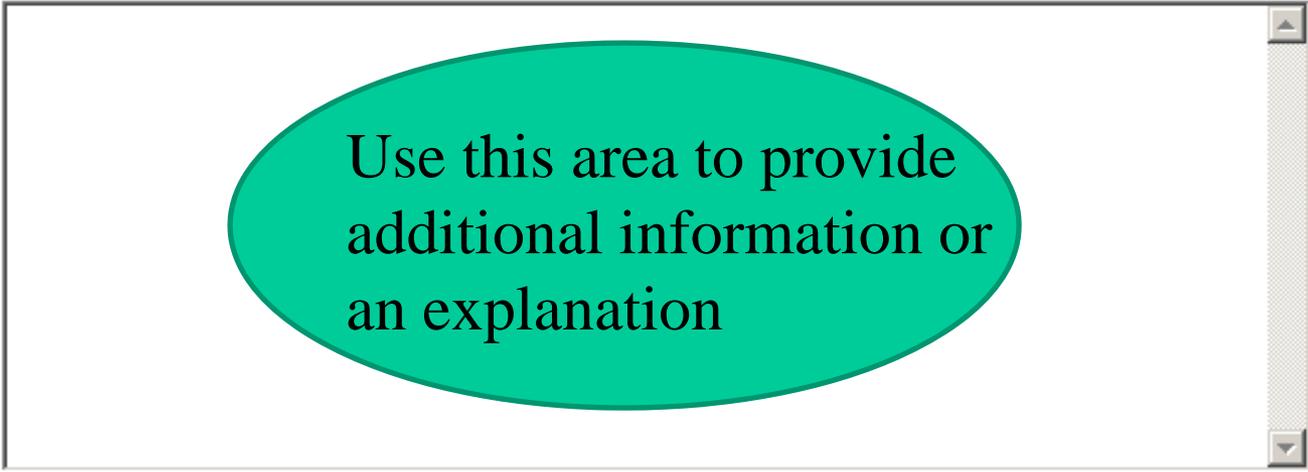
  Note: Institutions use Question 69 to document eligibility criteria for participation in TEACH Grant Program (see DCL GEN 08-07)

in ownership, or adding new locations in certain circumstances), and that you notify us within 10 days about other important changes (such as changing your name, address or official)? (See 34 CFR 600.10, 600.20 and 600.21)

☐ Yes

69. **(Optional)** Use this area if you need extra space to tell us about any unusual circumstances or to provide additional explanations about your application.

Note: Please do not enter any double quote marks (") within the body of your comments.

Use this area to provide additional information or an explanation

70. Provide the following information for any additional contacts such as the application agent, your Destination Point Administrator, or your FFEL contact.

Click here to add an Additional Contact.

71. Reporting of Foreign Gifts, Contracts and Relationships.

Note: All domestic institutions that receive any Federal financial assistance (directly or indirectly) and offer a bachelor's degree or higher or that offer a transfer program of not less than two years that is acceptable for credit toward a

If you did **NOT** make any changes on this page, you may return to the <u>Index</u> to select another section of the application.

If you made changes on this page, please check the desired action below and then click on the "Save Data" button.

You must click the "OK/Save Data" button to save your changes.

Please select one of the following 3 actions:

- ⊙ Check here if you are satisfied with your entries on this page.
- ○ Check here to perform the action selected below even if there are edit errors on this page.
  (**Note:** These errors must be corrected before you submit the application.)
- ○ Check here if you do not want to update your data or start an application.
  (Use this option if all you wish to do is review your data.)

Where do you want to go next?

- ○ Return to Section F
- ○ Add another location
- ○ Display next location
- ○ Continue to Section G
- ⊙ Go to Section [L]
- ○ Return to Index
- ○ Submit the Application.

(After you finish making all of the changes to your application, you MUST submit it to ED.)

[OK/Save Data] or [Restore Original Values]

Go to the signature page

Document: Done

Section L (page 1 of 1) <u>Help</u> **OPE ID:** 04444400 **School Name:** Test School Number Four

Your Additional Location
application has NOT been submitted.

4321 Main Street
Fairfax, VA

Section L. Please have the appropriate person in authority review, sign, and date this document.

I hereby certify that, to the best of my knowledge and belief, all information in this document is true and correct. I understand that if my institution provides false or misleading information, (a) the U.S. Department of Education may deny the institution's request for eligibility to participate in federal student financial aid programs and/or revoke eligibility once it has been granted and (b) the institution may be liable for all federal student financial aid funds it or its students received. I also understand that I may be subject to a fine of not more than $25,000 or imprisonment of not more than five years, or both, for misinformation that is material to receipt and stewardship of federal student financial aid funds.

Signature of President/CEO/Chancellor

_____

Date

| 06/26/2000 | (mm/dd/yyyy format)

Name of institution

Test School Number Four

Name of President/CEO/Chancellor

☑ Check here if this is the same person as in Question 10 (Mr. George A. Washington). If not, complete the information below.

Check that the president will
sign the app and print the page

Prefix	First name	MI	Last name	Suffix
▼				

E-mail address (if applicable)

If you did **NOT** make any changes on this page, you may return to the <u>Index</u> to select another section of the application.

If you made changes on this page, please check the desired action below and then click on the "Save Data" button.

You must click the "OK/Save Data" button to save your changes.

Please select one of the following 3 actions:

⦿   Check here if you are satisfied with your entries on this page.

○   Check here to perform the action selected below even if there are edit errors on this page.
(**Note:** These errors must be corrected before you submit the application.)

○   Check here if you do not want to update your data or start an application.
(Use this option if all you wish to do is review your data.)

Where do you want to go next?

○   Redisplay this page
⦿   Continue to Section M   ←
○   Go to Section [   ]
○   Return to Index
○   Submit the Application.
(After you finish making all of the changes to your application, you MUST submit it to ED.)

Go to Section M

[OK/Save Data]   or   [Restore Original Values]

Section M Identifies Required Supporting Documents

File   Edit   View   Go   Communicator   Help

Section M (page 1 of) Help   **OPE ID:** 04444400   **School Name:**   Test School Number Four

Your Additional Location   4321 Main Street
application has NOT been submitted.   Fairfax, VA

Section M. Please include copies of appropriate documents as part of your application.

Because Test School Number Four has been designated as a Proprietary institution on this application, and because this application is for Additional Location, the following documents must be submitted in order to complete this application.

- Signature Page (Print Section L and sign it.)
- Current letter of accreditation
- Valid state license or other authorization

Please Print this page, provide the SSN for each owner listed below, and su documents.

Click on the Application Submission page link

Name	SSN
Mr. George Washington	_____
Mr. George A. Washington	_____
Mr. Ben F. Franklin	_____

If you are finished with your application, use the Application Submission page to submit it or return to Electronic Application Index to access another section of the Application.

File Edit View Go Communicator Help

Application for Approval to Participate in Federal Student Financial Aid Programs

Case Management and Oversight, U.S. Department of Education

Application Submission

OPE ID: 04444400   **School Name:** Test School Number Four

A message will indicate if entries are still needed

All required entries have been made on your application.

Please click on the [Submit Application] button to submit your application to ED.

If OK, click on the Submit Application button

Document: Done

File   Edit   View   Go   Communicator   Help

Application Submission

OPE ID: 04444400   **School Name:** Test School Number Four

Your Additional Location application has been received by the Department of Education.

Receipt → 10/31/2000 12:40 a.m. Eastern Time

Refer to Section M for a list of all supporting documentation REQUIRED for this application which MUST be sent to ED separately.

Send the signature page (Section L) and copies of required supporting documents to us. Regular mail/commercial overnight mail:

U.S. Department of Education, FSA
School Eligibility Channel
Integrated Partner Management
830 First Street, NE
Washington, DC 20202-5402

Document: Done

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Checking the Status of the Application

- Go to the E-App

- Click on "Application Status" in the left margin

ED Response Sent via E-mail

- E-mail instructs institution to go to the PPA/ECAR page of the E-App website to view Approval Letter (or Acknowledgement Letter)

- Institution prints and reviews copy of Approval Letter and ECAR

- E-mail also provides contact information for questions about the action

File   Edit   View   Favorites   Tools   Help

Address http://www.eligcert.ed.gov/

Schools Portal: E-App for Schools

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:: How to customize your mailing address for FSA publications

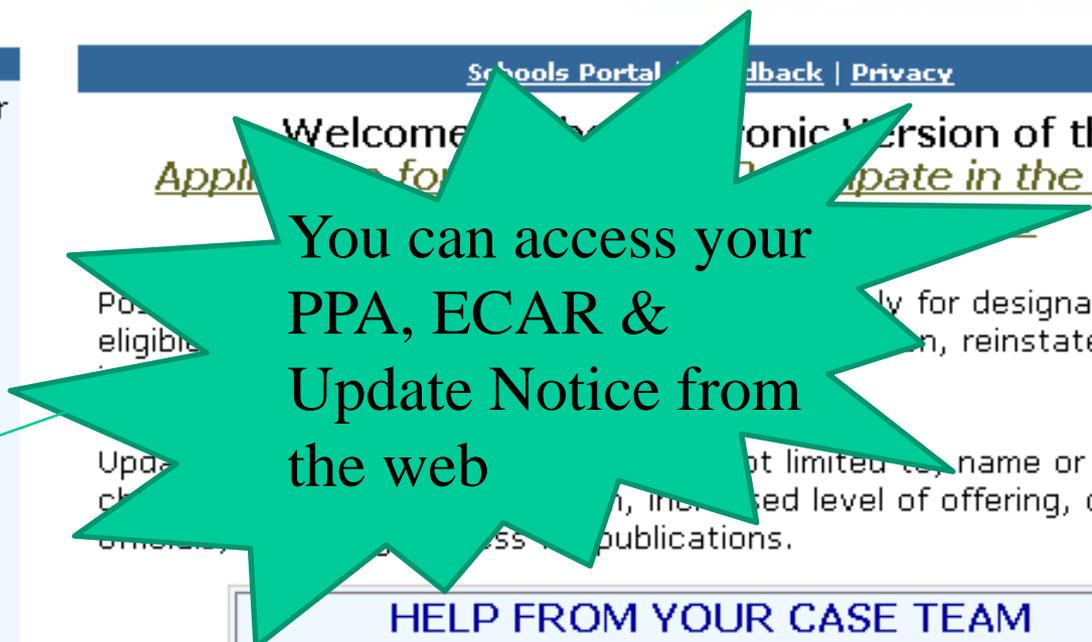:: Display a list of the most common changes a school must report

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Schools Portal | Feedback | Privacy

Welcome to the Electronic Version of the
Application for Approval to Participate in the Federal

Po...   ...ly for designation as an
eligib...   ...n, reinstatement, change

Upd...   ...t limited to, name or address
cha...   ...n, increased level of offering, change of
offici...   ...ess publications.

You can access your
PPA, ECAR &
Update Notice from
the web

HELP FROM YOUR CASE TEAM

For help with the Web site, your user ID or password, or in filling out the
E-APP, please contact the Case Team for your state.

FSA CASE TEAMS

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(CT, ME, MA, NH, RI,VT)	(AR, LA, NM, OK, TX)
617-289-0133	214-661-9490
:: **New York**	:: **Kansas City**
(NJ, NY, PR, Virgin Islands)	(IA, KS, KY, MO, NE, TN)
646-428-3750	816-268-0410
:: **Philadelphia**	:: **Denver**
(DC, DE, MD, PA, VA, WV)	(CO, MI, MT, ND, SD, UT, WY)

Contact Info – School Teams

Program Compliance
Robin Minor, Chief Compliance Officer
(202) 377-4358

Call the appropriate School Participation Team for information and guidance on audit resolution, financial analysis, program reviews, school and program eligibility/recertification and school closure information.

School Participation Teams – Northeast
Geneva Leon, Director – Wash DC
(202) 377-3173 geneva.leon@ed.gov

New York/Boston (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, New Jersey, New York, Puerto Rico, Virgin Islands)

Betty Coughlin–New York (646) 428-3737
Rosemary Torpey - Boston (617) 289-0133
Christopher Curry—New York (646) 428-3738
Patrice Fleming - Wash DC (202) 377-4209

Philadelphia (DC, Delaware, Maryland, Pennsylvania, Virginia, West Virginia)

Nancy Gifford - Philadelphia (215) 656-6442
John Loreng – Philadelphia (215) 656-6437
Michael Frola - Wash DC (202) 377-3364

Foreign Schools
Barbara Hemelt - Wash DC (202) 377-3168

Campus Security
Clifton Knight – Wash DC (202) 377-4244

School Participation Teams-South Central
Carolyn White, Director – Wash DC
(202) 377-3173 carolyn.white@ed.gov

Atlanta (Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina)

Charles Engstrom - Atlanta (404) 974-9290
Christopher Miller – Atlanta (404) 974-9297
Barbara Murray—DC (202) 377-4203

Dallas (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Charles Engstrom - Atlanta (404) 974-9290
Janet Dragoo - Dallas (214) 661-9481

Kansas City (Iowa, Kansas, Kentucky, Missouri, Nebraska, Tennessee)

Ralph LoBosco-Kansas City (816) 268-0410
Dvak Corwin – Kansas City (816) 268-0420
Phillip Brumback-Wash DC (202) 377-3464

School Participation Teams - Northwest
Pat Dickerson, Director – Wash DC
(202) 377-3173 patricia.dickerson@ed.gov

Chicago (Illinois, Indiana, Minnesota, Ohio, Wisconsin)

Douglas Parrott - Chicago (312) 730-1532
David Heath – Chicago (312) 730-1522
Earl Flurkey – Chicago (312) 730-1521

Denver (Colorado, Michigan, Montana, North Dakota, South Dakota, Utah, Wyoming)

Harry Shriver - Denver (303) 844-4128

San Francisco/Seattle (American Samoa, Arizona, California, Guam, Hawaii, Nevada, Palau, Marshall Islands, N. Marianas , Federated States of Micronesia, Alaska, Idaho, Oregon, Washington)

Martina Fernandez-Rosario (415) 486-5605
Gayle Palumbo (415) 486-5614
Dyon Toney - Wash DC (202) 377-3639

Contact Information

We appreciate your feedback and comments.
We can be reached at:

-Tracy M. Nave
- Phone: 617-289-0145
- E-mail: tracy.nave@ed.gov
- Fax: 617-289-0153

-Barbara Wingel
- Phone: 646-428-3760
- E-mail: barbara.wingel@ed.gov
- Fax: 646-428-3742

QUESTIONS?