

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1240	Gainful Employment Provisions	<p>4.1.C Maintaining Eligibility 4.4.B Student Consumer Information</p> <p>Includes information about school reporting and disclosure requirements for a program that is at least one academic year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.</p> <p>Also includes information about schools being required to provide the Department with a notice when the school intends to offer a new program that is at least one academic year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.</p>	Federal	<p>A new gainful employment educational program offered by a school in which initial enrollment begins after July 1, 2011.</p> <p>Gainful employment reporting and disclosure provided by a school on or after July 1, 2011.</p>
1241	Satisfactory Academic Progress	<p>4.2 Administrative Capabilities Standards 8.4 Assessing Satisfactory Academic Progress Appendix G</p> <p>Provides additional information regarding assessing satisfactory academic progress (SAP).</p> <p>Also states that a school's SAP policy must specify the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum timeframe.</p>	Federal	Satisfactory academic progress evaluations conducted by a school on or after July 1, 2011.
1242	Ability-to-Benefit Provisions	<p>5.10 Ability-to-Benefit Provisions 5.10.A Testing ATB Students with Special Needs</p> <p>Incorporates new language that defines what constitutes six credit hours of college work for an ATB student enrolled in a quarter-credit-hour or clock-hour program, and the point at which students enrolled in courses offered in modules gain eligibility based on the ability-to-benefit.</p> <p>Also defines which individuals can administer an ATB Test and what testing options are available to test individuals with disabilities and non-English-speaking students.</p>	Federal	<p>Ability-to-benefit tests developed on or after July 1, 2011, for students with special needs.</p> <p>For programs administered on a quarter-credit-hour or clock-hour basis, ability-to-benefit demonstrated by the completion of credit-hour equivalents on or after July 1, 2011.</p> <p>For programs of student offered in modules, ability-to-benefit determinations made by the school on or after July 1, 2011.</p>

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1243	Withdrawal and Return to a Term-Based Credit-Hour Program Offered in Modules	<p>8.7.F Delivery in Credit-Hour Programs Offered in Modules</p> <p>8.7.G Delivery in Special Circumstances</p> <p>States that if a student withdraws from a term-based credit-hour program offered in modules during a payment period or, as applicable, period of enrollment, and then resumes enrollment in the same program before the end of the period, the school must determine the student's eligibility to receive funds for which he or she was eligible prior to the withdrawal.</p> <p>Also clarifies that the school must confirm that the student remains eligible for the funds based on his or her enrollment status at the time of reentry into the program and the student's cost of attendance, taking into account any reduction in the cost of attendance caused by the period of nonattendance.</p>	Federal	Students who withdraw from a term-based credit-hour program offered in modules on or after July 1, 2011.
1244	Campus-Based Programs	<p>Appendix G</p> <p>Expands on the current definition by elaborating on the difference between these programs and other Title IV programs.</p>	Correction	Upon approval by the <i>Common Manual</i> Governing Board.

Batch 177 (Out for Comment)

COMMON MANUAL - FEDERAL POLICY PROPOSAL

Date: February 4, 2011

X	DRAFT	Comments Due	Feb 25
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Gainful Employment Provisions

AFFECTED SECTIONS: 4.1.C Maintaining Eligibility
4.4.B Student Consumer Information

POLICY INFORMATION: 1240/Batch 177

EFFECTIVE DATE/TRIGGER EVENT: A new gainful employment educational program offered by a school in which initial enrollment begins after July 1, 2011.

Gainful employment reporting and disclosure provided by a school on or after July 1, 2011.

BASIS:

§600.2; §600.4; §600.5; §668.6; §668.8; §600.10; §600.20; *Federal Register* dated October 29, 2011.

CURRENT POLICY:

Current policy does not include information about school reporting and disclosure requirements for a program that is at least one academic year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation. Also, current policy does not include information about schools being required to provide the Department with a notice when the school intends to offer a new program that is at least one academic year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.

REVISED POLICY:

Revised policy includes information about school reporting and disclosure requirements for a program that is at least one academic year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation. Also, revised policy includes information about schools being required to provide the Department with a notice when the school intends to offer a new program that is at least one academic year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.

REASON FOR CHANGE:

This change was made to align the Manual's text with final rules published in the *Federal Register* on October 29, 2010.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 4.1.C, page 6, column 2, after paragraph 2 insert a new subheading and paragraph, as follows:

Reporting Requirements

The school must report to the Department and, in some cases, to a guarantor, certain specific information regarding its ownership, contact information, the addition of locations, programs of study, the structure of its programs of study, etc.

General Reporting Requirements

A school must report to the Department via the Application for Approval to Participate . . .

Gainful Employment Reporting

A school must report certain information to the Department for each student who enrolled during an award year in a program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation. The school must report all of the following:

- Information needed to identify the student and the school the student attended.
- If the student began attending a program during the award year, the name and the Classification of Instructional Program (CIP) code of that program.

If the student completed a program during the award year the school also must report all of the following:

- The name and CIP code of that program, and the date the student completed the program.
- The amounts the student received from private education loans and the amount from the school's own financing plans that the student owes the school upon completing the program.
- Whether the student matriculated to a higher credentialed program at the school or, if available, evidence that the student transferred to a higher credentialed program at another school.

For each program, by name and CIP code, the school must report the total number of students enrolled in the program at the end of each award year and identifying information for those students.

A school must report to the Department the required information as follows:

- No later than October 1, 2011, for information from the 2006–07 award year to the extent that the information is available.
- No later than October 1, 2011, for information from the 2007–08 through 2009–10 award years.
- No earlier than September 30, but no later than the date established by the Department through a notice published in the *Federal Register*, for information from the most recently completed award year.

For any award year, if a school is unable to provide all or some of the required information, the school must provide an explanation of why the missing information is not available.

Revise Subsection 4.1.C, page 7, column 1, subheading “Change of Ownership or Status” to be italicized rather than bold format.

Revise Subsection 4.1.C, page 8, column 1, subheading “Change in Governance for a Public School” to be italicized rather than bold format, and revise the paragraph as follows:

No later than 10 days after a change in governance, public schools must report the change to the Department and each applicable guarantor. A change in governance for a public school is not considered to be a change of ownership that results in a change in control, if the school remains a public school after the change and the new governing authority is in the same state and has acknowledged the school's continued responsibilities under its PPA. ~~No later than 10 days after a change in governance, public schools must report the change to the Department and each applicable guarantor.~~
[§600.21(a)(9); §600.31(c)(7)]

Revise Subsection 4.1.C, page 8, column 1, paragraph 3, as follows:

Eligibility for New or Modified Program of Study

When an eligible school adds a new educational program or substantially modifies an existing program, eligibility may not extend automatically to the new program. Instead, the school may be required to apply for approval by the Department to provide Title IV funds to students enrolled in the new program, which must meet all eligibility requirements. Before adding a new program of study, the school should contact the Department for guidance.

[§600.10(c)(1)]

The school is ultimately responsible for ensuring that a program is eligible before awarding Title IV funds to students in the program. The school needs to ensure that program length and admissions criteria comply with Title IV requirements, that a degree or certificate is awarded upon completion, that the program is authorized by the appropriate state agency, and that it is included under the notice of accreditation from a nationally recognized accrediting agency.

A school is not always required to notify the Department of the addition of new programs. The school itself may determine the program's eligibility in either of the following cases:

[§600.10(c)(2)]

- The additional program leads to an associate, bachelor's, professional, or graduate degree, and the Department has already approved the school for programs at that level.

[§600.10(c)(2)(i)]

- ~~The additional program prepares students for gainful employment in the same or a related recognized occupation as an educational program that the Department has designated as eligible at the school, and the added program is at least 8 semester hours, 12 quarter hours, or 600 clock hours in length.~~

~~[§600.10(c)(2)(ii)]~~

If a school determines incorrectly that an additional program of study satisfies eligibility requirements and does not apply to the Department for approval, the school is liable for repayment of all Title IV funds received by the school for the ineligible program as well as for all funds received by or on behalf of students enrolled in the ineligible program of study from the date of the school's addition of the program.

[§600.10(c)(3)]

New Programs for Gainful Employment in a Recognized Occupation

A school must notify the Department at least 90 days before the first day of class when it intends to add an educational program that is at least one-academic-year in length and leads to a certificate, or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation. An "additional" educational program for this purpose is one of the following:

- A program with a Classification of Instructional Programs (CIP) code under the taxonomy of instructional program classifications and descriptions developed by the Department's National Center for Education Statistics that is different from any other program offered by the school.
- A program that has the same CIP code as another program offered by the school but leads to a different degree or certificate.
- A program that the school's accrediting agency determines to be an additional program.

[§600.10(c)(2)]

A school's notice to the Department of the school's intent to offer an additional educational program that prepares students for gainful employment must provide all of the following:

- A description of how the school determined the need for the program and how the program was designed to meet local market needs, or for an online program, regional or national market needs. This description must contain any wage analysis the school may have performed, including any consideration of Bureau of Labor Statistics data related to the program.
- A description of how the program was reviewed or approved by, or developed in conjunction with, business advisory committees, program integrity boards, public or private oversight or regulatory agencies and businesses that would likely employ

graduates of the program.

- Documentation that the program has been approved by its accrediting agency or is otherwise included in the school's accreditation by its accrediting agency, or comparable documentation if the school is a public postsecondary vocational school approved by a recognized state agency for the approval of public postsecondary vocational education in lieu of accreditation.
- The date of the first day of class of the new program.

The school may proceed to offer the program described in its notice, unless the Department advises the school at least 30 days before the first day of class that the program must be approved. A school that does not provide a timely notice to the Department must obtain approval for the new program.
[§600.20(d)(1)(ii)(B) and (C)]

Revise Subsection 4.4.B, page 28, column 2, by adding a new paragraph 3, as follows:

Gainful Employment Disclosures for Prospective Students

A school must provide certain disclosures to prospective students enrolled in a program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential and prepare students for gainful employment in a recognized occupation. For each of these programs the school must provide prospective students with the following:

- The occupations (by names and SOC codes) that the program prepares students to enter, along with links to occupational profiles on O*NET or its successor site. If the number of occupations related to the program, as identified by entering the program's full six digit CIP code on the O*NET crosswalk at <http://online.onetcenter.org/crosswalk/> is more than ten, the school may provide Web links to a representative sample of the identified occupations (by name and SOC code) for which its graduates typically find employment within a few years after completing the program.
- The on-time graduation rate for students completing the program.
 - A school calculates an on-time completion rate for each program by determining the number of students who completed the program during the most recently completed award year (regardless of whether the students transferred into the program or changed programs at the school). Then, divide the number of students who completed the program within normal time by the total of students who completed the program and multiply the result by 100.
- The tuition and fees it charges a student for completing the program within the normal completion time as defined, the typical costs for books and supplies (unless those costs are included as part of tuition and fees), and the cost of room and board, if applicable. The school may include information on other costs, such as transportation and living expenses, but it must provide a Web link, or access, to the program cost information.
- The placement rate for students completing the program, as determined under a methodology developed by the National Center for Education Statistics (NCES) when that rate is available. In the meantime, if the school is required by its accrediting agency or state to calculate a placement rate on a program basis, it must disclose the rate and identify the accrediting agency or state agency under whose requirements the rate was calculated. If the accrediting agency or state requires a school to calculate a placement rate at the school level or other than a program basis, the school must use the accrediting agency or state methodology to calculate a placement rate for the program and disclose that rate.

- The median loan debt incurred by students who completed the program as provided by the Department, as well as any other information the Department provided to the school about that program. The school must identify separately the median loan debt from Title IV, HEA program loans, and the median loan debt from private educational loans and school financing plans.

For each program, the school must include the above information in promotional materials it makes available to prospective students and post this information on its Web site. The school must prominently provide the information in a simple and meaningful manner on the home page of its program Web site, and provide a prominent and direct link on any other Web page containing general, academic, or admissions information about the program, to the single Web page that contains all the required information. The school must display the information on the school's Web site in an open format that can be retrieved, downloaded, indexed, and searched by commonly used Web search applications. An open format is one that is platform-independent, is machine-readable, and is made available to the public without restrictions that would impede the reuse of that information. When the Department issues a disclosure form for this information, schools must use the Department's disclosure form.
[§668.6]

PROPOSED LANGUAGE - COMMON BULLETIN:

Gainful Employment Provisions

The *Common Manual* has been revised to incorporate final rules published in the *Federal Register* on October 29, 2010. The Manual has been updated to include information about school reporting and disclosure requirements for a program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation. The Manual has also been updated to include information about the school requirement to provide the Department with a notice when the school intends to offer a new program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

Potential students will be able to make a more informed decision when contemplating enrolling in a program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.

School:

Schools may have to revise reporting and disclosure procedures for each program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation. Also, a school may have to revise procedures to provide the Department with a notice that it is adding a new educational program that is at least one academic year in length and leads to a certificate or other non-degree recognized credential, and prepares students for gainful employment in a recognized occupation.

Lender/Service:

None.

Guarantor:

A guarantor may need to revise its program review materials.

U.S. Department of Education:

The Department may have to update its new program approval process and its program review materials.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:

February 1, 2011

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

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COMMON MANUAL - FEDERAL POLICY PROPOSAL

Date: February 4, 2011

X	DRAFT	Comments Due	Feb 25
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Satisfactory Academic Progress

AFFECTED SECTIONS: 4.2 Administrative Capabilities Standards
8.4 Assessing Satisfactory Academic Progress
Appendix G

POLICY INFORMATION: 1241/Batch 177

EFFECTIVE DATE/TRIGGER EVENT: Satisfactory academic progress evaluations conducted by a school on or after July 1, 2011.

BASIS:
§668.34; *Federal Register* dated October 29, 2010; The 2005 Blue Book.

CURRENT POLICY:
Current policy provides a high level overview of assessing satisfactory academic progress (SAP) lengthy glossary definition for "satisfactory academic progress."

REVISED POLICY:
Revised policy provides additional information regarding assessing satisfactory academic progress (SAP). A school must assess SAP at the end of an increment that is half of the program's length, or one academic year, whichever is less. A school that elects to evaluate SAP after each payment period has more flexibility in Title IV funding options than a school that chooses to measure SAP less frequently. Also, revised policy states that a school's SAP policy must specify the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum timeframe. Pace is calculated by dividing the total number of hours the student has successfully completed by the total number of hours the student has attempted. Remedial courses do not have to be included in the pace calculation. Revised policy provides regulatory definitions of terms applicable to SAP. The glossary definition for "satisfactory academic progress" has been revised to be more concise.

REASON FOR CHANGE:
These changes were made to align the Manual's text with final rules published in the *Federal Register* on October 29, 2010.

PROPOSED LANGUAGE - COMMON MANUAL:
Revise Section 4.2, page 15, column 1, paragraph 1, bullet 3, as follows:

A school must demonstrate that it is capable of adequately administering the FFELP by meeting the following additional requirements:

. . .

. . .

- The school must establish and publish standards for measuring satisfactory academic progress (SAP). These standards must, at a minimum, conform to the standards detailed in the federal regulations. See Section 8.4 for more details.

Revise Section 8.4, page 6, column 1, paragraph 1, as follows:

8.4 Assessing Satisfactory Academic Progress

~~Federal regulations require that~~ A school must measure a student's satisfactory academic progress (SAP) in accordance with the school's published SAP policy before delivering the

~~loan proceeds~~ Title IV aid. A school must assess SAP at the end of an increment that is half of the program's length, or one academic year, whichever is less. ~~At some A schools, may perform SAP verification is performed before the delivery of each disbursement, while at others, or~~ SAP may be assessed at specific times during the academic year, such as at the beginning of each term ~~or payment period~~. A school that elects to evaluate SAP after each payment period has more flexibility in Title IV funding options than a school that choose to measure SAP less frequently.

[§668.32(f); §668.34 (a)(3); §668.34(c)]

A school's SAP standards must be applied consistently, and must include both a qualitative and a quantitative measure. A school's policy must specify the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum timeframe. Pace is calculated by dividing the total number of hours the student has successfully completed by the total number of hours the student has attempted. Remedial courses do not have to be included in the pace calculation. A maximum time frame for program completion and a minimum quality standard, such as grade point average, must be established. A student's quantitative progress must be assessed each academic year, at a minimum. ~~Federal regulations permit a~~ school ~~to~~ may establish its own maximum time frame for program completion, provided the school's time frame for an undergraduate program does not exceed 150% of the published program length.

[§668.16(e); §668.34]

In measuring SAP for subsequent disbursements, the school is not required to develop a system that is separate from the system the school already has established for verifying progress for subsequent disbursements of other Title IV Programs. However, the progress standards for Title IV aid recipients must be at least as restrictive as those used for students not receiving aid.

[§668.16(e)(1)]

A school's SAP policy must provide for notification to students of the results of an evaluation that impacts the student's eligibility for Title IV HEA program funds.

[§668.34(a)(11)]

Definitions applicable to SAP

In the context of satisfactory academic progress provisions, the following definitions apply:

- An *appeal* is a process by which a student who is not meeting the school's SAP standards petitions the school for reconsideration of the student's eligibility for Title IV, HEA program funds.
- *Financial aid probation* is a status assigned by a school to a student who fails to make SAP, who has appealed, and has had eligibility for aid reinstated.
- *Financial aid warning* is a status assigned to a student who fails to make SAP at a school that evaluates academic progress at the end of each payment period.
- Maximum timeframe is:
 - For an undergraduate program measured in credit hours, a period that is no longer than 150 percent of the published length of the educational program, as measured in credit hours;
 - For an undergraduate program measured in clock hours, a period that is no longer than 150 percent of the published length of the educational program, as measured by the cumulative number of clock hours the student is required to complete and expressed in calendar time; and
 - For a graduate program, a period defined by the institution that is based on the length of the educational program.

[668.34(b)]

See Section H.4 for information about a statutory or regulatory waiver authorized by the HEROES Act that may impact these requirements.

Revise Appendix G, page 20, column 1, paragraph 8, as follows:

Satisfactory Academic Progress (SAP): ~~The level of academic progress required of a student by the Higher Education Act in order to receive Title IV aid, including Federal Stafford, PLUS, or SLS loans. Each school must establish a standard for evaluating a student's efforts to achieve an educational goal within a given period of time. In making this evaluation, the school must establish the normal time frame for completion of the course of study in which the student is enrolled, and a method, such as grades or work projects completed, to measure the quality of the student's performance. Students enrolled in an undergraduate program who are enrolled beyond the school's maximum time frame for program completion are not eligible for additional Title IV assistance. A school's maximum time frame for program completion cannot exceed 150% of the published program length. The qualitative (grade point average) and quantitative (time limit) measure of a student's progress toward completing a program of study. To maintain eligibility for Title IV funds, the student must show adequate progress. A school must establish policies regarding satisfactory academic progress, and must check the progress of federal aid recipients at least once each academic year.~~

PROPOSED LANGUAGE - COMMON BULLETIN:

Satisfactory Academic Progress

The *Common Manual* has been revised to align the Manual's text with final rules published in the *Federal Register* on October 29, 2010. Revised policy states that a school that elects to evaluate SAP after each payment period has more flexibility in Title IV funding options than a school that chooses to measure SAP less frequently. Revised policy states that a school's SAP policy must specify the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum timeframe. Pace is calculated by dividing the total number of hours the student has successfully completed by the total number of hours the student has attempted. Remedial courses do not have to be included in the pace calculation. Also, revised policy provides regulatory definitions of terms applicable to SAP. Further, the glossary definition for "satisfactory academic progress" has been revised to be more concise.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

None.

School:

A school may need to review and revise its satisfactory academic progress policy to ensure that the policy is compliant with new regulatory provisions. A school that elects to evaluate satisfactory academic progress (SAP) after each payment period has more flexibility in Title IV funding options than schools that choose to measure SAP less frequently.

Lender/Service:

None.

Guarantor:

A guarantor may need to update its program review materials.

U.S. Department of Education:

The Department may need to update its program review materials.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:

October 28, 2010

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

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COMMON MANUAL - FEDERAL POLICY PROPOSAL

Date: February 4, 2011

X	DRAFT	Comments Due	Feb 25
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Ability-to-Benefit Provisions

AFFECTED SECTIONS: 5.10 Ability-to-Benefit Provisions
5.10.A Testing ATB Students with Special Needs

POLICY INFORMATION: 1242/Batch 177

EFFECTIVE DATE/TRIGGER EVENT: Ability-to-benefit tests developed on or after July 1, 2011, for students with special needs.

For programs administered on a quarter-credit-hour or clock-hour basis, ability to benefit demonstrated by the completion of credit-hour equivalents on or after July 1, 2011.

For programs of study offered in modules, ability-to-benefit determinations made by the school on or after July 1, 2011.

BASIS:

§668.32(e)(5), §668.142, §668.148, §668.149; *Federal Register* dated October 29, 2010.

CURRENT POLICY:

Current policy does not define what constitutes six credit hours of college work for a student subject to the ability-to-benefit (ATB) provisions who is enrolled in a quarter-credit-hour or clock-hour program. The Manual also does not advise that an individual who administers ATB tests in assessment centers is now required to be certified by the publisher of the ATB test, or the state; and that an independent test administrator who administers an ATB test at a location other than an assessment center must meet certain criteria. Finally, the Manual also does not include policies related to the ATB provisions for students enrolled in programs offered in modules.

The *Common Manual* currently describes what special provisions are available for disabled students and non-English-speaking students, but it does not include the expanded guidance provided in the regulations.

REVISED POLICY:

Revised policy incorporates new language that defines what constitutes six credit hours of college work for an ATB student enrolled in a quarter-credit-hour or clock-hour program, and the point at which students enrolled in courses offered in modules gain eligibility based on the ability to benefit. Revised policy also defines in general terms which individuals can administer an ATB test and what testing options are available to test individuals with disabilities and non-English-speaking students.

Revised policy also expands guidance related to ATB provisions for individuals with disabilities and non-English-speaking students, including that the test must measure basic verbal and quantitative skills and, if the test is administered to an individual whose first language is not English, must be linguistically correct and culturally sensitive.

REASON FOR CHANGE:

The purpose for this proposal is to incorporate into the Manual the guidance in the final regulations regarding new ability-to-benefit provisions.

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Section 5.10, page 15, column 1, paragraph 1, as follows:

**5.10
Ability-to-Benefit Provisions**

To receive Title IV assistance aid, a student without a high school diploma or its equivalent must demonstrate the potential to succeed in (i.e., an ability to benefit from) a program of study offered by a school. A student who is admitted on an ability-to-benefit (ATB) basis must

meet one of the following requirements:
[§668.32(e); §682.201(a)(8)]

- . . .
- . . .
- . . .
- The student satisfactorily completes six credit hours or equivalent coursework that is applicable toward a degree or certificate offered by the school. The student is ineligible to receive Title IV aid while earning the six credit hours or their equivalent. Also, testing out of a class does not equate to the completion of the six credit hours for ATB purposes. However, in cases where a student is enrolled in a payment period with modules that are independently completed and graded prior to the end of that payment period, there could be a situation in which a student successfully completes a module and earns the qualifying hours prior to the end of the payment period. Therefore, a school could calculate the cost of attendance for the remaining modules in the payment period and award and disburse Title IV funds for those remaining credits. Six credit hours is defined as:
 - Six semester hours,
 - Six trimester hours,
 - Six quarter hours, or
 - 225 clock hours.

[HEA §484(d)(4)§668.32(e)(5); DCL GEN 08-12/FP-08-10]

To determine a student's eligibility to receive Title IV aid, a school may accept a passing score on an approved ATB test that has been properly administered by an individual who has been certified by the test publisher, or the state ~~ATB test~~ if the score is received from an approved test publisher or assessment center. If an ATB test is given at a facility other than an assessment center, the independent test administrator may not have any current or prior financial or ownership interest in the school, may not be a current or former employee of or consultant to the school, may not be a current or former member of the board of directors for the school, and may not be a current or former student of the school.
[§668.141(a)(2)142]

Revise Subsection 5.10.A, page 15, column 2, paragraph 3, as follows:

5.10.A

Testing ATB Students with Special Needs

~~If no test can be approved for students individuals with disabilities or for students for whom English is not their native language or who are not fluent in English because a test is not reasonably available, the Department considers the following tests~~ any modified test or testing procedure or instrument that has been developed for the purpose of evaluating the ability of disabled students individuals with disabilities to benefit from postsecondary education to be an approved test for purposes of assessing those students' individuals' ability to benefit. The test must measure both basic verbal and quantitative skills at the secondary school level. The Department considers the passing scores for these testing procedures to be those recommended by the test publisher or state, as applicable.
[§668.149]

~~For the purpose of testing students individuals with disabilities any modified test or testing procedure or instrument that has been developed for the purpose of evaluating the ability of disabled students individuals with disabilities to benefit from postsecondary education. The test must measure both basic verbal and quantitative skills at the secondary school level.~~
[§668.149(a)(1)]

The Department will ensure as part of its approval process that a test for an individual for whom English is not his or her native language and who is enrolled in a program that is taught in his or her native language must be linguistically correct and culturally sensitive regardless of the language in which the test is written.
[§668.148]

~~•For the purpose of testing students for whom English is not their native language or who are not fluent in English, any test in the student's native language or a language in which the student is fluent, provided the Department has not approved another test in that language and the test was not previously rejected from the approval process by the Department. The test must measure both basic verbal and quantitative skills at the secondary school level.~~
[§668.149(b)]

~~The passing scores recommended by the test developer are considered passing scores by the Department provided that:~~

~~•For students with disabilities, the test administrator uses the procedures or instruments for which the test was designed, and maintains documentation of the procedures and instruments used in the testing and of the scores and scoring techniques.~~
[§668.149(a)(2)(i) and (ii)]

~~•For students for whom English is not their native language or who are not fluent in English, the passing scores and the methods for determining those scores are fully documented.~~
[§668.149(b)(4)]

PROPOSED LANGUAGE - COMMON BULLETIN:

Ability to Benefit

The *Common Manual* has been updated to include new language that defines what constitutes six credit hours of college work for an ATB student enrolled in a quarter-credit-hour or clock-hour program, and the point at which students enrolled in courses offered in modules gain eligibility based on the ability to benefit. The Manual has also been updated to define in general terms which individuals can administer an ATB test and what testing options are available to test students with disabilities and non-English speaking students.

The Manual has been expanded to include guidance related to ATB provisions for disabled students and non-English speaking students, including that the test must measure basic verbal and quantitative skills and, if administered to an individual whose first language is not English, must be linguistically correct and culturally sensitive.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

ATB provisions will be more consistently administered for a student who attends a quarter-credit-hour term-based program or a clock-hour program and a program offered in modules. Also, ATB provisions for individuals with special needs will be more clearly defined and will be more applicable to the cultural and language needs of some students.

School:

At a school that admits a student on the basis of ability to benefit, the school will need to ensure that a student with special needs is afforded expanded testing opportunities. At such a school, the school must also modify its procedures to ensure that 1) a student qualifies for Title IV aid based upon completion of the requisite number of clock or credit hours and 2) a student who completes the requisite number of hours in a modular program is permitted to qualify for Title IV aid.

Lender/Service:

None.

Guarantor:

A guarantor may need to update its program review materials.

U.S. Department of Education:

The Department may need to amend its program review procedures.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:

November 30, 2010

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

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COMMON MANUAL – FEDERAL POLICY PROPOSAL

Date: February 4, 2011

X	DRAFT	Comments Due	Feb 25
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Withdrawal and Return to a Term-Based Credit-Hour Program Offered in Modules

AFFECTED SECTIONS: 8.7.F Delivery in Credit-Hour Programs Offered in Modules
8.7.G Delivery in Special Circumstances

POLICY INFORMATION: 1243/Batch 177

EFFECTIVE DATE/TRIGGER EVENT: Students who withdraw from a term-based credit-hour program offered in modules on or after July 1, 2011.

BASIS:

§668.22(a)(iii)(A); *Federal Register* dated October 29, 2010, p. 66894.

CURRENT POLICY:

Current policy does not include information about a case in which a withdrawn student who resumes enrollment in a term-based credit-hour program offered in modules is eligible to receive Title IV aid that was previously returned or canceled as the result of the student's withdrawal.

REVISED POLICY:

Revised policy states that if a student withdraws from a term-based credit-hour program offered in modules during a payment period or, as applicable, period of enrollment, and then resumes enrollment in the same program before the end of the period, the school must determine the student's eligibility to receive funds for which he or she was eligible prior to the withdrawal. This includes funds that were previously returned by the school or the student as the result of the return of Title IV funds calculation. Revised policy clarifies that the school must confirm that the student remains eligible for the funds based on his or her enrollment status at the time of reentry into the program and the student's cost of attendance, taking into account any reduction in the cost of attendance caused by the period of nonattendance.

REASON FOR CHANGE:

This change is necessary to update the Manual's text with final rule changes published in the *Federal Register* dated October 29, 2010.

Note: See proposal #1238, Batch 176, for a proposed Glossary definition of "module."

PROPOSED LANGUAGE - COMMON MANUAL:

Revise Subsection 8.7.F, page 13, column 2, by adding a new paragraph 4, as follows:

...

If a student withdraws from a term-based, credit-hour program offered in modules during a payment period, or as applicable, period of enrollment and resumes enrollment in the same program before the end of the period, the school must determine the student's eligibility for Title IV aid that was previously returned or canceled as the result of the student's withdrawal. Certain restrictions apply. See Subsection 8.7.G for more information.

Revise Subsection 8.7.G, page 14, column 1, by inserting a new subheading after paragraph 2, as follows:

Temporary Change in Enrollment Status

...

Withdrawal and Return to a Term-Based Credit-Hour Program Offered in Modules

If a student withdraws from a term-based credit-hour program offered in modules (see the Glossary definition of "module") during a payment period, or as applicable, period of

enrollment, and resumes enrollment in the same program before the end of the period, the school determine the student's eligibility to receive Title IV aid that the school or the student returned as the result of the return of Title IV funds calculation, and any Title IV aid that was canceled due to the student's withdrawal. The student is eligible to receive any Title IV aid for which he or she was eligible prior to withdrawal if the school determines and documents the student's eligibility—and makes any required adjustments—based on both of the following:

- The student's enrollment status upon his or her return to the program.
- The student's revised cost of attendance (COA), taking into account any reduction in the COA caused by the student's temporary cessation of attendance.
[§668.22(a)(2)(iii)(A); *Federal Register* dated October 29, 2010, p. 66894]

Unverified Social Security Number

...

PROPOSED LANGUAGE - COMMON BULLETIN:

Withdrawal and Return to a Term-Based Credit-Hour Program Offered in Modules

The *Common Manual* has been revised to incorporate final rule changes published in the October 29, 2010, *Federal Register*.

If a student withdraws from a term-based credit-hour program offered in modules during a payment period or, as applicable, period of enrollment, and resumes enrollment in the same program before the end of the period, the school must determine a student's eligibility to receive Title IV aid that the school or the student returned as the result of the return of Title IV funds calculation, and any Title IV aid that was canceled as the result of the student's withdrawal. A student is eligible to receive any Title IV aid for which he or she was eligible prior to withdrawal if the school determines and documents the student's eligibility—and makes any required adjustments—based on both of the following:

- The student's enrollment status upon his or her return to the program.
- The student's revised cost of attendance (COA), taking into account any reduction in the COA caused by the student's temporary cessation of enrollment.

GUARANTOR COMMENTS:

None.

IMPLICATIONS:

Borrower:

A student who withdraws from and returns to the same term-based, credit-hour program offered in modules may qualify to receive all or a portion of Title IV aid that was previously returned due to the student's withdrawal, and Title IV aid for which the student was otherwise eligible for attendance in the program.

School:

A school may be required to revise its internal procedures for eligibility determinations, disbursement scheduling, and delivery of aid to students who withdraw from and subsequently return to term-based credit-hour programs offered in modules.

Lender/Servicer:

None.

Guarantor:

A guarantor may find it necessary to update its compliance and training tools for schools.

U.S. Department of Education:

The Department may find it necessary to update its program review procedures for schools.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:
CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:
February 2, 2011

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:
CM Policy Committee
CM Guarantor Designees
Interested Industry Groups and Others

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COMMON MANUAL - CORRECTION POLICY PROPOSAL

Date: February 4, 2011

X	DRAFT	Comments Due	Feb 25
	FINAL	Consider at GB meeting	
	APPROVED	with changes/no changes	

SUBJECT: Campus-Based Programs

AFFECTED SECTIONS: Appendix G

POLICY INFORMATION: 1244/Batch 177

EFFECTIVE DATE/TRIGGER EVENT: Upon approval by the *Common Manual* Governing Board.

BASIS:
§668.2(b).

CURRENT POLICY:
Current policy provides the regulatory definition of “campus-based programs” as consisting of the Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grant programs.

REVISED POLICY:
Revised policy expands on the current definition by elaborating on the difference between these programs and the other Title IV programs.

REASON FOR CHANGE:
This change is made to provide more information about the unique nature of campus-based programs as compared to the other Title IV programs.

PROPOSED LANGUAGE - COMMON MANUAL:
Revise Appendix G, page 4, column 1, paragraph 2, as follows:

Campus-Based Programs:

The Federal Perkins Loan, Federal Work-Study, and Federal Supplemental Educational Opportunity Grant programs. These programs and their related funds are administered directly by a school's financial aid office. In return, the school is allowed to retain a percentage of each program's funds for its administrative costs. The budgets for these programs are limited by the annual federal appropriation awarded to each school, matching funds from the school, and for the Perkins program, the school's revolving loan fund. Each participating school is allowed to determine its own selection criteria and award levels for these programs within federal guidelines. A student's financial aid package may contain aid from one or more of these programs depending on whether the school participates in each program, the amount of funds available for a program for which the school participates, and the school's packaging policies.

PROPOSED LANGUAGE - COMMON BULLETIN: **Campus-Based Programs**

The *Common Manual* has been revised to expand on the definition of “campus-based programs” provided in the Glossary. The new definition clarifies that the funding for these programs is at the school level as opposed to the student level, and that the aid a student receives from these programs could vary based on whether the school participates in each program, the amount of funds available for a program for which the school participates, and the school's packaging policies.

GUARANTOR COMMENTS:
None.

IMPLICATIONS:
Borrower:
None.

School:
None.

Lender/Service:

None.

Guarantor:

None.

U.S. Department of Education:

None.

To be completed by the Policy Committee

POLICY CHANGE PROPOSED BY:

CM Policy Committee

DATE SUBMITTED TO CM POLICY COMMITTEE:

November 23, 2010

DATE SUBMITTED TO CM GOVERNING BOARD FOR APPROVAL:

PROPOSAL DISTRIBUTED TO:

CM Policy Committee

CM Guarantor Designees

Interested Industry Groups and Others

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