NASFAA
FALL TRAINING
2011-12

Satisfactory Academic Progress

Participant's Handout

⋔ N·A·S·F·A·A

The 2011 NASFAA Fall Training has been developed by the NASFAA Training and Professional Development Committee. Special thanks is given to the NASFAA Staff for their input on this very important topic, especially compliance review of the content.

NASFAA 2011–12 Training Module for States and Regions

The 2011–12 training module topic for states and regions is *Satisfactory Academic Progress—Regulations and Suggested Policies/Procedures to Guide Development and Implementation at the Institutional Level*. The materials were developed by the NASFAA Training and Professional Development Committee (T&PD Committee). A special thank you goes to the committee members:

Heather Boutell, Chair
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Susan Howard, EASFAA
Crisit Millard, RMASFAA
Taina Savoit, WASFAA
Kaye Widney, MASFAA
Eileen O'Leary, Commission Director

Workshop Goals

Participants will be:

- Aware of basic principles of the federal satisfactory academic progress requirements and how those principles differ from the prior federal requirements;

- Capable of evaluating institutional SAP policy in terms of compliance;

- Capable of evaluating institutional SAP processes in terms of compliance; and

- Able to identify opportunities for cross-campus collaboration to strengthen institutional compliance efforts.

Table of Contents

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National Association of Student
Financial Aid Administrators Presents …

Satisfactory Academic Progress

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Goals of Workshop

- Understand the basic principles of the new Federal SAP regulations effective July 1, 2011

- Evaluate your institutional SAP policy and make appropriate changes

- Evaluate your institutional SAP business procedures and make appropriate changes

- Identify opportunities for cross-campus collaborations to strengthen institutional compliance

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Agenda

- Regulatory changes
- Reviewing SAP and the appeal process
- Inclusion of transfer hours
- Repeat coursework
- SAP policies at different types of institutions

- Informing students of changes
- Rewriting/Writing your SAP policy
- Case studies will be presented throughout the workshop

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Section I

Regulations and Changes

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Introduction

- Basic components of a Satisfactory Academic Progress policy

- Regulatory information

- What differs from last year?

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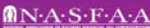
Basic Components: SAP Policy

- Qualitative Standard – Is student at a high enough grade point average to reach graduation standards?
- Quantitative Standard (Pace) – Is student completing enough hours to finish program within maximum time frame?
- Maximum Time Frame – Will the undergraduate student complete the program within 150% of requirements?
- Evaluation schedule – How often will SAP be reviewed?

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Statutory Authority

- All SAP regulations are now included in CFR 668.34

- 668.32(f) includes SAP with other eligibility requirements

- 668.16(e) refers to SAP as "reasonable policy"

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What Differs from Last Year?

- New SAP regulations clearly outline required elements that must be present in an institutional SAP policy

- Institutions that monitor SAP each payment period have more flexibility

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What Differs from Last Year?

- Appeal process
  - Financial aid warning, financial aid probation, pace
  - Requirements of an academic plan
- Inclusion of transfer hours
- Repeat coursework

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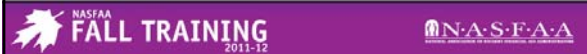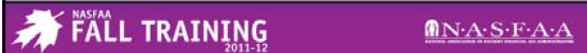
Questions

The Satisfactory Academic Progress regulations became effective July 1, 2011. Does this mean that the institution must measure SAP after a summer 2011 payment period using the new regulations?

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Section II

Reviewing SAP and the Appeal Process

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Introduction

- Financial Aid Warning

- Financial Aid Probation

- Academic Plan

- Pace

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Determining Satisfactory Academic Progress

Students must be reviewed at regular intervals to determine if satisfactory progress requirements are being met

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Financial Aid Warning

- Can only be used if checking SAP each payment period

- Financial aid warning status is assigned automatically and student is still eligible to receive aid during the financial aid warning term. Students do not need to appeal to be given financial aid warning status.

- If SAP standards are not met during financial aid warning term, an appeal can be filed

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Financial Aid Probation

- If SAP is checked annually, student may appeal to have a financial aid probation term to meet minimum requirements

- If SAP is checked each term, student may appeal if after financial aid warning term SAP standards are not met

- Financial aid probation may be for one term or multiple terms based on an Academic Plan

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Academic Plans

An Academic Plan for an approved appeal may state specific conditions that must be met such as:

- Register for fewer credit hours

- Certain term grade point average required

- May only take certain courses

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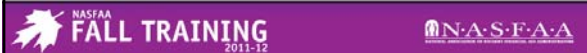
Academic Plans

- May be as simple as a calculation or as detailed as a class by class schedule

- May require buy-in from other offices on campus such as Academic Advising/Counseling

- Examples of academic plans

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Case Study: Academic Plans

Case Study 1:
John Low Grades

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Pace

- Pace is defined as the student's progression to ensure completion within the maximum time frame

- Pace must be measured at each evaluation

- A graduated pace standard is still permitted; i.e., 1st term – 50%; 2nd term – 60%; 3rd term – 70%

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Calculating Pace/Quantitative Progress

$$\frac{\text{Cumulative number of credit hours completed}}{\text{Cumulative number of credit hours attempted}}$$

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Pace/Quantitative Progress

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Case Studies: Pace

Case Study 2: Survivor University

Case Study 3: Happy Days Community College

Case Study 4: I-Phone University

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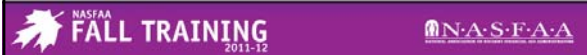
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Questions

- What constitutes a SAP review? Is an institution required to review both the qualitative (grade-based) and quantitative (time-based) SAP measures?

- Must schools adopt the new terminology, such as financial aid warning and financial aid probation, used in the new regulations?

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Questions

- Can the SAP pace requirements be different for students at different points in their academic program?

- If a student is on SAP probation when the new SAP regulations became effective, when must the student be evaluated?

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Questions

- If an institution reviews SAP each payment period, must it also review SAP after summer term?

- If a student successfully appeals and is placed on probation under the new regulations, when must the student be reviewed?

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Questions

- A student is on an academic plan for failing to meet SAP standards. When is the student reviewed?

- When is SAP measured for a clock-hour program?

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Questions: Appeals

- How many times may a student appeal a failure to make SAP?

- What documentation is required for a student appeal?

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Questions: Appeals

- Can a student appeal the 150% maximum timeframe?

- May an institution's SAP policy include automatic "academic amnesty" in certain circumstances, such as, after a student has not attended for a certain number of years?

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Questions: Warning Status

- How long is the financial aid warning period?

- Is there a limit to the number of financial aid warnings a student can receive during his or her enrollment?

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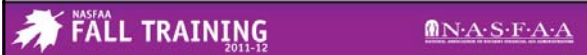
Questions: Probation Status

- Under what circumstances would a student be placed on SAP probation?

- If, after one payment period on probation, the student is still not making SAP, can the student be automatically placed on an academic plan, or must the student appeal again?

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Questions: Probation Status

- At an institution that permits appeals but does not use the financial aid warning status, is probation required for a student who is not making progress?

- How many times may a student be placed on probation for failing to meet SAP standards?

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Questions: Academic Plans

- How should an institution develop an academic plan for a student who successfully appeals SAP ineligibility?

- What is the status of a student who has completed the probationary payment period and who is continuing to receive aid by meeting the requirements of the student's academic plan?

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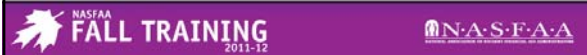
Questions: Academic Plans

- Can the academic plan be the same for all students or the same by categories of students or must the plans be established individually for each student?

- Must the academic plan be mathematically set to graduate the student within the 150% maximum timeframe?

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Section III

Transfer Hours

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Introduction

Transfer Hours

- Now required to count transfer hours accepted at your institution as both attempted and completed hours in SAP

- Transfer students may now have slight advantage over other students

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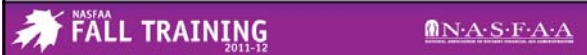
Transfer Hours

Transfer credits in calculation of pace means all completed work for all students considered

Schools still free to set own policies related to number of changes in major allowed

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Questions

- How does the FAO know what transfer hours to apply to the student's program of study?

- How does your computer system track transfer hours?

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Case Studies: Transfer credits

Case Study 5: Joe at Close to Home
Community College

Case Study 6: Dilly at Dally University

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Questions

SAP regulations require credit hours accepted toward the student's educational program count as both attempted and completed hours when calculating GPA and pace for SAP purposes. Can an institution's policy include non-accepted credits as attempted credits for purposes of these calculations?

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Questions

• How should an institution handle changes of major?

• Can an institution limit the number of times a student may change majors?

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Section IV

Repeated Coursework

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Introduction

Repeated Coursework

- SAP rules do not require schools to allow course repetitions

- SAP rules do not require schools to limit the number of course repetitions

- SAP rules do address the treatment of repeats for measuring satisfactory progress

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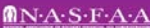
Repeated Coursework and SAP

If institution allows repeat coursework:

- Unlimited repeated courses could be funded if student has not passed the course

- Only one repeat of course could be funded with Title IV aid if student has previously passed the course

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Questions to Consider

- How will the FAO track repeat coursework?
  - Manually?
  - Computer System?
- If SAP module, has your vendor provided updates?
- Is treatment of repeat coursework included in your consumer information?

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Be Aware!

- SAP rules must address the treatment of repeats to Title IV eligibility

- Repeat coursework is a separate topic, but directly related to SAP

- Information on repeat courses is found in 668.2(b)

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Case Studies: Repeated Coursework

Case Study 7: Pebbles at Bedrock
University

Case Study 8: Barbie at Dreamland
University

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Questions: Repeated Coursework

Music student must participate in specified number of years in band or orchestra. Student auditions with other students to be picked; selected students play in that ensemble for the entire year. The course number stays the same from semester to semester but the content, the music performed, changes each term. Does the fact that the course number does not change result in a student being considered to be retaking course work, and therefore ineligible for aid?

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Case Studies: Repeated Coursework

Case Study 9: Sandy and Danny at Rydell University

Case Study 10: Alex at Jeopardy University

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Section V

SAP Policy at Different Types of Institutions

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Section VI

**Informing Students of
SAP Changes**

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Introduction

- Notifying students

- Student consumer information

- Updating materials/website

- Timing of communications

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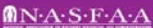
Notifying Students

- Do we need to let students know the changes?

- How do we let students know what the changes are? Where will it be posted?

- Should we tell them everything at once? Or do we let them know a little at a time?

- What are the ramifications of not notifying?

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Updating Materials

- New SAP policy should be updated so that students are not surprised by any changes

- Can be done on-line or hard copy

- Example of written/on-line information:
  - www.finaid.umich.edu

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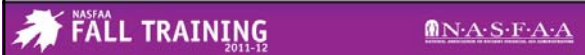
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Updating Policies and Procedures

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Maximum Time Frame

- Undergraduate
  - Quantitative standard – maximum time frame cannot exceed 150% of published length of program
- Graduate
  - Maximum time frame not specified
  - Number of credit hours not specified
  - School determines both and must publish and follow that determination

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Program Length

- Program less than 2 years
  - Must have standing consistent with graduation requirements
- Program longer than 2 years
  - Must have C average or equivalent at end of 2 years

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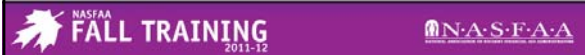
Who Needs to Be involved?

- Financial Aid Office
- Registrar?
- Admissions?
- Students?
  - Focus group to make sure they understand the requirements?
- Faculty?

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Other Items to Consider?

- Institutional mission statement – Do your policies reflect the mission of your institution?
- Division/department mission statements – Is there additional information in other areas that could influence your policies?

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General Questions

- How are remedial courses treated for SAP purposes?

- How are English as a Second Language (ESL) courses treated for SAP purposes?

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General Questions

- How does the qualitative portion of a SAP review relate to the requirement for a student to have a GPA of at least 2.0 or academic standing consistent with the institution's requirements for graduation?

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Section VIII

Conclusion

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Conclusion

SAP – what is required?

- Quantitative (Pace)
- Maximum time frame
- Qualitative (GPA)
- Transfer credits included
- All must be communicated to students

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Conclusion

What is optional? (if you exercise any of these options they must be clearly defined in your SAP policy)

- Allowing appeals to SAP
- Allowing repeated coursework
- Allowing a probationary period
- Creating an academic plan
- Granting a financial aid warning period

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Guidance on SAP

- Preamble to the Program Integrity Final Rule:
  http://www.gpo.gov/fdsys/pkg/FR-2010-10-29/pdf/2010-26531.pdf
- Electronic Announcement:
  http://ifap.ed.gov/eannouncements/060611SAPReviewfor StudentinClockHrs.html
- Program Integrity Q&A:
  http://www2.ed.gov/print/policy/highered/reg/hearulemaking/2009/sap.html

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Resources

- NASFAA Self-Evaluation Guide

- NASFAA Policies and Procedures Tools

ANOTHER REASON TO
NASFAA's **SELF-EVALUATION GUIDE**
LOVE YOUR MEMBERSHIP

NASFAA
POLICIES & PROCEDURES TOOLS

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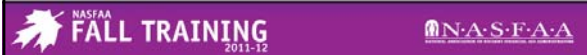
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Case Study 1 – Academic Plan

John Low Grades has attempted 27 hours and has completed 12 hours with a cumulative grade point average (GPA) of 1.22. Speedy Junior College requires students to meet with an academic advisor to determine what classes should be taken for the next three terms and what the student will do to increase his chances of success.

John submits a personal statement and documentation of illness to show why he was unable to meet satisfactory academic progress (SAP) standards. After reviewing John's appeal, the Appeal Committee knows that John will not be able to make SAP within one term. The Committee calculates that it will take John 23 hours to reach 70% and 19 hours at a term GPA of 2.4 to reach a 2.00 cumulative GPA. The Appeal Committee approves John's appeal and places him on financial aid probation using an academic plan with the following requirements:

- Must complete all classes taken each term and maintain a term GPA of 2.4 or higher;

- Will be on financial aid probation until he reaches minimum requirements; and

- Aid will be terminated if he doesn't complete the requirements of the academic plan.

Case Study 2 – Pace

Survivor University offers a Bachelor's Degree in Sociology that is a 120 credit hour program. The maximum time frame is 180 credits for this program. What is the pace that a student must keep to complete the program within 180 attempted credits?

120 divided by 180 is a pace of 67%. If a student earns 67% of the credits attempted in each term, the student should complete the program within the maximum time frame. This is applicable at any enrollment status, as it is designed to measure completion appropriately for each student, regardless of enrollment status.

Survivor University measures SAP at the conclusion of the spring term. Russell is a freshman there and takes 12 credits in fall term and earns 12 credits. The student has earned 100% of the credits attempted. In the spring, the student enrolls for 18 credits and earns 15. He has a cumulative total of 27 credits. The cumulative total of attempted credits is 30. 27 divided by 30 is a pace of 90%. Russell is meeting SAP.

In Russell's sophomore year, he takes 12 credits in the fall term and earns 9 credits. In the spring, he enrolls again for 12 credits, and only earns 6 credits. At the conclusion of this year, the cumulative total of earned credits is 42, and the cumulative total of attempted credits is 54. 42 divided by 54 is 77.7%. Russell is meeting SAP. Note that this total is cumulative, and should not be calculated by individual term.

Case Study 3 – Pace

Happy Days Community College has a 900-hour program that normally takes 32 weeks to complete. Happy Days allows a maximum timeframe of 48 weeks to complete the program, and students must complete at least 450 clock hours every 24 weeks. Because the program is so short and financial aid warnings would delay a rigorous review of students' academic performance until late in (or at the end of) the program, Happy Days decides not to use the warning status. Instead, it requires students to submit an appeal when they are not meeting SAP standards.

It takes Potsie 26 weeks to complete the first 450 hours of the program. Happy Days informs him that he must submit an appeal to continue to receive financial aid. Potsie tells the financial aid administrator that he was diagnosed with depression, which prevents him from doing as much as he'd like. He provides a note from his psychiatrist and affirms that he is doing better since he has gotten regular treatment. The financial aid administrator grants his appeal and puts him on financial aid probation. She drafts an academic plan that allows him some flexibility in his pace of completion by establishing a new maximum timeframe of 52 weeks and requires him to check with her once a month to inform her of his progress in his classes. It takes Potsie 24 weeks to complete the remaining 450 clock hours of his program. He remains eligible for aid during the time it takes him to complete the second payment period because his academic plan established a new maximum timeframe for program completion.

Case Study 4 – Pace

I-Phone U (University) offers a Master's Degree in Telecommunications. The program is 36 credit hours. I-phone U sets the maximum timeframe at 50 credit hours, and requires students to move at a pace of 72%. At the end of the first semester, Steve attempts 10 credit hours and only earns 3 credit hours. I-Phone U evaluates SAP at the end of each term, so Steve has not met SAP. I-Phone U could put Steve on a financial aid warning, but they choose not to use financial aid warning status. He successfully appeals. At the end of second semester, Steve attempts another 10 credit hours, and earns all 10. Steve's cumulative earned hours are now 13, and his attempted hours are 20. He has yet again failed SAP. He appeals again, and this time I-Phone U puts him on an academic plan to measure his progress. He must be checked at the end of the next payment period for progress or to see if he is following the academic plan.

Case Study 5 – Transfer Credits

Joe enrolls in Close to Home Community College (CHCC) immediately after graduating from high school and takes course work toward an associate degree in liberal studies.

Over the next four semesters, he enrolls in a total of 48 credit hours and earns a C or better in 36 of those hours. He has 3 hours of D grades and 9 hours of F grades on his CHCC transcript. His completion rate at CHCC is 81% and his overall GPA is 2.35.

Joe decides to transfer to Greener Pastures University (GPU) to pursue a bachelor's degree in economics. GPU will only accept grades of C or better. After an evaluation of his CHCC

transcript, GPU accepts 36 hours of transfer work toward his bachelor's degree but does not factor any of the grades into the calculation of his academic standing at GPU.

In his first semester at GPU, Joe enrolls in 15 credit hours and successfully completes all 15 credit hours with a semester GPA of 3.0.

What is Joe's completion rate and GPA at GPU after his first semester?

His completion rate is 100% (36 hours of transfer work and successful completion of all 15 hours at GPU) and his overall GPA is 3.0. Joe is meeting SAP standards at Greener Pastures University.

Case Study 6 – Transfer Credits

Dilly has had difficulty deciding what major to pursue at Dally University; in fact, she has switched her major 3 times in the 6 semesters she has been enrolled. She has attempted and earned a total of 90 credit hours in two widely divergent programs—Puppetry in the College of Creative Arts and Petroleum/Natural Gas in the College of Engineering. Now she has decided to obtain a Bachelor's Degree in Parks and Recreation.

Although a few classes are able to meet general curriculum requirements, only 20 hours are applicable to this new degree. Dilly will need an additional 100 hours to meet program requirements of 120 credit hours for graduation. Dilly has an overall GPA of 3.2.

Dally's SAP policy states that all course work appearing on a student's transcript will be included in the calculation of progress. Furthermore, it states that evaluation is done annually so there is no financial aid warning period offered to students. Dally does not restrict the number of times a student can change their major.

At what point is Dilly no longer meeting SAP standards?

It is the school's decision to determine when the student is no longer meeting SAP standards. Whereas Dilly transferred into the Parks and Recreation major, when SAP is evaluated it would appear that she is not going to complete her degree objective within 150% of the normal timeframe (180 credit hours for program requires 120 credit hours) and will not meet maximum timeframe SAP standards. She has already attempted and earned 90 credit hours and her new program has 100 credit hours remaining. Dilly will exceed the 180 credit hour limit for this program and will need to appeal her SAP status for maximum time frame in order to continue to receive Title IV assistance.

Case Study 7 – Repeated Coursework

Pebbles attends Bedrock University and is a Chemistry major. Introduction to General Chemistry is a required course for her degree. She took it her freshman year, and received a failing grade. She repeated the course in the spring. Pebbles can receive federal aid in the fall, and in the spring, for this course. Pebbles passes the course, and moves along.

He also must take Introduction to General Chemistry as a required course for his degree. He takes it in the fall semester, and receives a C. Since Dino wants to get into medical school, he retakes the course in the spring. Again, he receives a C in the spring. Dino received federal aid in the fall, and in the spring, for this course. However, he cannot repeat and receive federal financial aid for this course in the future since he has already repeated the course once and received a passing grade.

Both Pebbles and Dino will still need to maintain SAP per the Bedrock University's SAP policy.

Case Study 8 – Repeated Coursework

Barbie attends Dreamland University and is a graduate student about to complete her master's. Her master's degree will require her to complete a thesis. Her thesis will take some time to complete. Barbie will enroll for the fall semester in her first thesis course. At the end of the fall semester, she has successfully completed the first portion of her thesis and realizes after meeting with her professor that she will have to continue to work on her thesis for two more semesters, for a total of three semesters. At Dreamland University, all thesis work is listed as the same course number. Per their SAP policy, students can receive financial aid for up to four semesters of thesis coursework. Barbie will be able to receive her financial assistance for the three semesters as long as she satisfactorily passes each course. Her financial assistance will be awarded based on the number of hours that she will be enrolled at the university.

Case Study 9 – Repeated Coursework

Sandy attends Rydell University as a theatre major. She will be enrolled for the fall semester as a full-time student taking 15 hours. Three of the 15 hours will be for a theatre course that she will take each semester to be in the university's theatrical performance for the term. By taking this theatre course, it will assist her in developing her acting skills for the future. Since Rydell has many theatre courses, she will not be able to receive financial assistance each semester for the same course. Instead, she will have to enroll in different theatre courses and other required courses each semester if she wishes to receive financial assistance.

Danny is a football player for the university and he enrolls as a full-time student each semester taking 12 hours with one of his courses being Health and Human Performance (H&HP) for varsity football that is worth 3 credit hours. He has to be in that H&HP course for football practice and workouts. Since this course does not apply to his degree at Rydell University, he will not be able to receive federal financial assistance for the course. With Danny being enrolled for only 12 hours and 3 of those hours being for the H&HP course, he can only receive financial assistance for the 9 hours that will count toward his degree.

Rydell University has a policy that they will not pay financial assistance for ANY course that is repeated.

Case Study 10 – Repeated Coursework

Alex is attending Jeopardy University, and needs 126 hours to graduate. He has already completed 123 hours, and has one semester left. For his final semester, Alex decides to take one 3 credit hour course to complete his degree requirements. Alex realizes that in order to be half time at Jeopardy, he would need to enroll in 6 credit hours. Alex decides to repeat a class that he already passed in order to be at least half time. He cannot receive aid for the class which does not meet a degree requirement.

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Satisfactory Academic Progress

National Association of Student Financial Aid Administrators

Self-Evaluation Guide
for
Institutional Participation
in Title IV and Other Federal Programs
Part 1 Section II

2011–12
Twenty-Seventh Edition

The *Self-Evaluation Guide* has been designed as an in-house tool to help institutions evaluate the efficiency and effectiveness of their administration of financial aid programs and compliance with federal laws and regulations.

Instructions for the use of this *Guide* may be found in its Introduction.

⋔N·A·S·F·A·A

II. Satisfactory Academic Progress

Prepared by _____ Date _____
Reviewed by _____ Date _____

NOTE: Periodically, exceptions to certain statutory and regulatory requirements are granted due to national emergencies and/or federally declared disasters. To find those exceptions that may be applicable to, but are not reflected in, this section of the Self-Evaluation Guide *for the 2011–12 award year, please refer to the* Guide Introduction.

Reference	Question	Responsible Office	Response
I. General			
668.16(e) 668.42(c)(2)	A. Does the school have a financial aid satisfactory academic progress (SAP) policy that it publishes and makes readily available to current and prospective students?	_____	yes ❑ no ❑
668.34(a)(1) 2011–12 *FSA Handbook*, p. 1-11	B. Is the financial aid SAP policy the same as or stricter than the school's academic progress policy for non-Title IV recipients?	_____	yes ❑ no ❑
668.34(a)(2) 2011–12 *FSA Handbook*, p. 1-11	C. Is the financial aid SAP policy applied consistently to all students within each education program as well as within identifiable categories of students (e.g., full time, part time, undergraduate, graduate, etc.)?	_____	yes ❑ no ❑
2011–12 *FSA Handbook*, p. 1-12	D. If the school offers test-based credits (i.e., tests students can take and receive course credit such as language proficiency tests), do the grades for those credits count in the student's grade point average (GPA) for all Title IV purposes?	_____	yes ❑ no ❑ n/a ❑
668.233(a)(3) 2011–12 *FSA Handbook*, p. 1-15	E. If the school enrolls students with an intellectual disability in a comprehensive transition and postsecondary program, is SAP defined in the context of that program?	_____	yes ❑ no ❑ n/a ❑
668.34(a)(3) 2011–12 *FSA Handbook*, p. 1-11	F. Does the school's policy indicate the timing and frequency of SAP reviews?	_____	yes ❑ no ❑

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

Reference	Question	Responsible Office	Response
	G. Does the school's policy provide that a student's academic progress is evaluated:		
◆668.34(a)(3)(i) 2011–12 *FSA Handbook*, p. 1-11	➤ At the end of each payment period if the educational program is either one academic year in length or shorter than an academic year; and	_____	yes ❑ no ❑
	➤ For all other educational programs, at the end of each payment period or at least annually to correspond with the end of a payment period?	_____	yes ❑ no ❑
2011–12 *FSA Handbook*, p. 1-12	H. Does the school review all periods of enrollment, including those for which the student did not receive Title IV aid?	_____	yes ❑ no ❑
2011–12 *FSA Handbook*, p. 1-12	I. Does the school's review include all courses taken towards the student's program of study regardless of any academic amnesty or renewal policy?	_____	yes ❑ no ❑
◆668.34(a)(11) 2011–12 *FSA Handbook*, p. 1-12	J. Does the school notify students who are not meeting financial aid SAP standards of their ineligibility for Title IV aid?	_____	yes ❑ no ❑
668.34(a)(4) 2011–12 *FSA Handbook*, p. 1-11	K. Does the financial aid SAP policy include a requirement that the equivalent of a "C" average or an academic standing consistent with the school's graduation requirements must be achieved by the end of the second year for all Title IV recipients enrolled in a program longer than two academic years in length?	_____	yes ❑ no ❑
	➤ If the school does not use letter grades, does it clearly define the equivalent of a "C" average?	_____	yes ❑ no ❑
668.34(a)(4),(5) 2011–12 *FSA Handbook*, p. 1-11	L. Does the financial aid SAP policy contain:		
	➤ A qualitative component such as grades, work projects completed, or other comparable factors measurable against a norm; and	_____	yes ❑ no ❑

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

Reference	Question	Responsible Office	Response
	➢ A quantitative component (pace), that consists of a maximum timeframe in which a student must complete his or her education program?	_____	yes ❑ no ❑
2011–12 *FSA Handbook*, pp. 1-12 to 1-13	M. Does the school notify students who have failed to meet the school's financial aid SAP standards of the appeal process?	_____	yes ❑ no ❑ n/a ❑
668.34(a)(9) 668.42(c)(2)(ii)	N. Does the school provide specific information on the following:	_____	yes ❑ no ❑
	➢ How the student may re-establish his or her eligibility to receive Title IV assistance;	_____	yes ❑ no ❑
	➢ The basis on which a student may file an appeal; and	_____	yes ❑ no ❑
	➢ Information the student must submit regarding why he or she did not meet SAP and what has changed in the student's situation that will allow him or her to meet SAP during the next evaluation?	_____	yes ❑ no ❑

II. Pace of Progression and Transfer Credits

Reference	Question	Responsible Office	Response
◆668.34(a)(5)(ii)	A. Does the institution calculate the pace at which a student is progressing by dividing the cumulative number of hours the student has successfully completed by the cumulative number of hours the student has attempted?	_____	yes ❑ no ❑
	1. Does the calculation include remedial courses?	_____	yes ❑ no ❑ n/a ❑
668.34(b)(1)-(3) 2011–12 *FSA Handbook*, p. 1-11	B. Is the maximum timeframe:		
	➢ For an undergraduate program measured in credit hours, a period no longer than 150 percent of the published length of the program;	_____	yes ❑ no ❑ n/a ❑

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

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Reference	Question	Responsible Office	Response
	➢ For an undergraduate program measured in clock hours, a period no longer than 150 percent of the published length of the program, as measured by the cumulative number of clock hours the student is required to complete and expressed in calendar time; and	_____	yes ❑ no ❑ n/a ❑
	➢ For a graduate program, established by the school?	_____	yes ❑ no ❑ n/a ❑
668.34(a)(5) 2011–12 *FSA Handbook*, p. 1-11	C. Does the maximum timeframe include a schedule, established by the institution, designating the minimum percentage of work a student must successfully complete at the end of each increment to complete his or her educational program within the maximum timeframe?	_____	yes ❑ no ❑
668.34(a)(6) 2011–12 *FSA Handbook*, p. 1-12	D. Does the maximum timeframe include specific policies explaining the effect of the following on satisfactory academic progress:		
	➢ Course incompletes;	_____	yes ❑ no ❑
	➢ Withdrawals;	_____	yes ❑ no ❑
	➢ Nonpunitive grades;	_____	yes ❑ no ❑
	➢ Repeated courses;	_____	yes ❑ no ❑
	➢ Second majors;	_____	yes ❑ no ❑
	➢ Additional degrees;	_____	yes ❑ no ❑
	➢ Courses transferred from another program at the school; and	_____	yes ❑ no ❑
	➢ Courses transferred from a different school?	_____	yes ❑ no ❑

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

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Reference	Question	Responsible Office	Response
◆668.34(a)(6) 2011–12 *FSA Handbook*, p. 1-12	E. Does the school's policy require transfer credits accepted toward a student's educational program to count as both attempted and completed hours?	_____	yes ❑ no ❑

III. Review of SAP after Each Payment Period

	NOTE: Institutions which review SAP less frequently than after each payment period should skip this section.		
◆668.34(a)(11);(b) 2011–12 *FSA Handbook*, p. 1-12	A. Does the school's policy define financial aid warning and/or financial aid probation for students?	_____	yes ❑ no ❑
◆668.34(c)(2)(i) 2011–12 *FSA Handbook*, p. 1-12	B. For the payment period following that in which the student failed to meet financial aid SAP standards, does the school:		
	1. Exercise its option to place a student on financial aid warning and disburse Title IV aid?	_____	yes ❑ no ❑ n/a ❑
◆668.34(c)(2)(ii);(d) 2011–12 *FSA Handbook*, pp. 1-12 to 1-13	2. Exercise its option to place a student **directly** on financial aid probation and disburse Title IV aid, if the student appeals the determination and the school :	_____	yes ❑ no ❑
	➢ Determines the student should be able to meet financial aid SAP standards by the end of that payment period; or		
	➢ Develops an academic plan for the student that, if followed, will bring the student back into compliance with SAP standards by a specific point in time?		

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

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Reference	Question	Responsible Office	Response
◆668.34(c)(3) 2011–12 *FSA Handbook*, pp. 1-12 to 1-13	C. For the payment period following that in which the student was on financial aid warning, does the school:		
	1. Exercise its option to place the student on financial aid probation and disburse Title IV aid, if the school determines the student did not meet financial aid SAP standards during the period he or she was on financial aid warning and:	_____	yes ❑ no ❑ n/a ❑
	➢ Determines the student did not meet financial aid SAP standards during the period he or she was on financial aid warning;		
	➢ Determines the student should be able to meet financial aid SAP standards by the end of that payment period; or		
	➢ Develops an academic plan for the student that, if followed, will bring the student back into compliance with SAP standards by a specific point in time?		
◆668.34(a)(9)(iii) 2011–12 *FSA Handbook*, p. 1-12	D. Does the appeal require the student to provide information about why he or she did not meet financial aid SAP standards and what has changed that will allow him or her to make SAP at the next evaluation?	_____	yes ❑ no ❑
◆668.34(c)(4)	E. Does the school deny Title IV aid for the term following that in which the student was on financial aid probation if he or she fails to:	_____	yes ❑ no ❑
	➢ Meet the financial aid SAP standards; or		
	➢ Adhere to the requirements specified in the academic plan for the student?		

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

Reference	Question	Responsible Office	Response

IV. Review of SAP after Annually or Less Frequently

NOTE: Institutions who completed Section III should skip this section (Section IV).

◆668.34(d)(2)
2011–12 *FSA Handbook*, pp. 1-12 to 1-13

A. For the payment period following that in which the student failed to meet financial aid SAP standards, does the school exercise its option to place a student on financial aid probation and disburse Title IV aid, if the student appeals the determination and the school:

➢ Determines the student should be able to meet financial aid SAP standards by the end of that payment period; or

➢ Develops an academic plan for the student that, if followed, will bring the student back into compliance with SAP standards by a specific point in time?

_____ yes ❑ no ❑ n/a ❑

◆668.34(a)(9)(iii)
2011–12 *FSA Handbook*, p. 1-12

B. Does the appeal require the student to provide information about why he or she did not meet financial aid SAP standards and what has changed that will allow him or her to make SAP at the next evaluation?

◆668.34(d)(3)
2011–12 *FSA Handbook*, p. 1-12

C. Does the school deny Title IV aid for the term following that in which the student was on financial aid probation if he or she fails to:

➢ Meet the financial aid SAP standards; or

➢ Adhere to the requirements specified in the academic plan for the student?

_____ yes ❑ no ❑

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

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Reference	Question	Responsible Office	Response
V. Schools that Do Not Allow Appeals, Students that Do Not Appeal, and Students Whose Appeals have been Denied.			
668.34(a)(10)	A. Does the financial aid SAP policy describe how the student may re-establish his or her eligibility to received Title IV aid?	_____	yes ❑ no ❑
2011–12 *FSA Handbook*, p. 1-13	1. Does the institution consider the student's paying for classes on his or her own or sitting out for an enrollment period as insufficient to re-establish eligibility for Title IV aid?	_____	yes ❑ no ❑

See the **Recommended Good Practices** section (Part 1, Section VIII) of the *Self-Evaluation Guide*.

Comments on Satisfactory Academic Progress

◆ This requirement is effective for the 2011–12 award year. Unless otherwise noted, the requirement was effective 7/1/2011.

SECTION 12: SATISFACTORY ACADEMIC PROGRESS

12.1 Process Overview & Responsibilities

To be eligible for Title IV aid, a student must maintain satisfactory academic progress (SAP). Under the administrative capability requirements, your school must establish, publish, and apply reasonable standards for measuring whether or not students are maintaining SAP. The financial aid satisfactory academic progress standards must be the same as or stricter than the standards the school uses for students who are not receiving Title IV aid (see section 12.2).

Because there is more than one condition that the school is monitoring to determine a student's SAP, you might want to use an *If/Then Decision Table* to chart your policies. For example, an if/then decision table could show:

♦ If the student has made acceptable quantitative progress for the payment period or year being measured, then review the student's qualitative progress

♦ If the student has failed either quantitative or qualitative progress, then put the student on financial aid warning or deny future Title IV aid (according to your policy)

♦ If the student is enrolled in remedial courses, then review the total hours to ensure the student has not exceeded the allowable remedial course limit (according to your policy)

If SAP standards are established by another office, you should cross-reference the policies and procedures of that office. You could also summarize those policies in the relevant subsections below, and indicate how these subsections are kept up to date.

If monitoring SAP is a responsibility that is shared among several offices, you will want to list those offices, describe the role each plays in the process, and indicate how interoffice communication is achieved.

[Click here to insert your school's information]

Last updated: [Click here to insert date]

12.2   Same As or Stricter Than

Policies

Indicate if your school's SAP policy for Title IV students is the same as or stricter than the school's standards for students enrolled in the same educational program who are not receiving Title IV aid. If the Title IV SAP policy is the same as the school's academic policy, include a statement describing how the policy meets minimum Title IV requirements (e.g., the minimum Title IV requirement for a student in his or her second academic year is a "C" average or standing consistent with graduation; the school's academic policy would have to reflect that). If the Title IV SAP policy is stricter than your school's SAP policy, include a statement describing how the policies differ in addition to the statement describing how the policy meets Title IV requirements. Provide information about how often your Title IV SAP policy is reviewed and evaluated.

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Indicate who in the financial aid office reviews the Title IV SAP policy to ensure it meets all federal requirements and describe how this is done. Include information about how the financial aid office is notified if the school changes its academic policies.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.3 Qualitative Measure

Policies

The school's SAP policy must also contain a qualitative measure (e.g., grades, completed work projects, or some comparable factor that is measurable against a standard). The qualitative standard can be a fixed or graduated standard. If a student is enrolled in a program of more than two academic years in length, at the end of the second academic year the student must have a grade point average of at least a "C" or its equivalent, or have academic standing consistent with the school's requirements for graduation.

668.34(a)(4)
2011–12 *FSA Handbook*,
p. 1-11

Describe the qualitative standard that students are expected to meet at the end of each payment period or year. Include information such as:

♦ Whether the measurement is fixed or graduated

♦ The minimum qualitative achievement (e.g., grade point average) that is expected at the end of each payment period or year under evaluation (see section 12.5)

♦ The consequences of not meeting the qualitative standards (e.g., the student is put on financial aid warning or the student is denied future Title IV aid)

♦ Who measures qualitative progress

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Provide a detailed description of how qualitative progress is checked, how frequently,, and by whom. Include information such as:

♦ How the financial aid office receives this information (e.g., the registrar's office provides a report with qualitative information for Title IV students)

♦ How qualitative progress is documented (e.g., a notation is made in the student's file or a code is entered into the student's electronic record)

♦ How students are informed of qualitative progress or lack thereof (You may want to cross-reference any correspondence sent to

students in the forms section of the appendix.)

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.4 Quantitative Measure

Policies

The school's satisfactory academic progress policy must also contain a quantitative measure. The policy must specify a maximum time frame not to exceed 150 percent of the published length of the program in which an undergraduate student must complete his or her program. In addition, it must include a quantitative standard for students enrolled in the school's graduate program(s), if applicable. The time frame may be measured in credit hours or scheduled clock hours. The school decides the most appropriate measurement. A school's maximum time frame policies should include information such as:

♦ The standard used to measure the maximum time frame (e.g., credit hours, clock hours)

♦ The maximum time frame (e.g., 150 percent of credit hours attempted or clock hours scheduled)

♦ A maximum time frame by which a graduate student must complete his or her program (as defined by the school if your school has a graduate program)

♦ A statement that part-time attendance counts in the maximum time frame calculation

♦ A statement that hours are counted for all terms, even those for which the student did not receive financial aid as well as those usually waived under academic amnesty policies

♦ The consequences of not meeting the quantitative standards (e.g., the student is put on financial aid warning or the student is denied future Title IV aid)

♦ Who monitors quantitative progress

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Give a detailed description of how quantitative progress is checked and monitored, including information such as:

♦ How the financial aid office receives quantitative information about

Title IV recipients (e.g., registrar's office provides a report with quantitative data for Title IV recipients)

♦ A description of the review process (e.g., manual or automated)

♦ How the financial aid office documents a student's quantitative progress (e.g., notation is made in the student's file or a code is entered into the student's electronic record)

♦ How students are notified of their progress or lack of progress (You may want to cross-reference any correspondence sent to these students in the forms section of the appendix.)

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.4.1 Pace

Policies

The school's quantitative measure must specify the pace at which a student must progress through his or her educational program to ensure the student will complete the program within the maximum time frame. A student's pace must be measured at each evaluation. The school calculates a student's pace by dividing the cumulative number of hours the student has completed by the cumulative number of hours the student has attempted. The school is not required to include remedial courses in the calculation of a student's pace. For transfer students, an institution must consider credits accepted towards the student's program in both the hours earned and hours attempted categories. A school's pace policies should include information such as:

668.34(a)(5)
2011-12 *FSA Handbook*, pp. 1-11 to 1-12

♦ A description of how a student's pace is calculated

♦ The pace at which students are expected to progress toward degree completion, including any separate standards used for categories of students (see Section 12.7)

♦ A statement that a student's pace is measured at each evaluation

♦ A statement regarding the institution's treatment of remedial courses

- The inclusion of credits accepted towards a transfer student's program in both the hours earned and hours attempted categories

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Give a detailed description of how a student's pace is calculated and monitored, including information such as:

- A description of the calculation process (e.g. manual or automated)

- How the financial aid office documents a student's pace (e.g. notation is made in the student's file or a code is entered into the student's electronic record)

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.5　Evaluation Periods

Policies

To ensure the student is making sufficient progress both quantitatively and qualitatively, your SAP policy must provide for regular evaluation. Schools may evaluate SAP as frequently as every payment period, but no less often than annually. The SAP evaluation must coincide with the end of a payment period.

668.34(a)(3)

Some schools may have programs which use different evaluation periods for measuring SAP (e.g., students in a certificate program may be evaluated after every payment period, while students in a four-year program are evaluated annually). If your school has programs that have different frequencies of evaluation, explain that here. You may wish to address each program or group of programs with the same set of standards in separate subsections of this part of your manual.

When describing the evaluation periods include information such as:

♦ The length (e.g., payment period or annually)

♦ The student's minimum pace for making SAP (i.e., the quantitative progress)

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Define the evaluation period(s) used to check and monitor SAP. Include information such as:

♦ How evaluation periods are defined for each program (e.g. payment period, annually)

♦ The number of evaluation periods defined for SAP for each program

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.6   Financial Aid Warning Periods

Policies

Schools which evaluate SAP after every payment period may place students who fail to meet one or more of its SAP standards on financial aid warning for one payment period. Students on financial aid warning remain eligible to receive Title IV funds. If your school evaluates SAP after each payment period and uses financial aid warnings, explain your policy in detail here, including information such as:

♦   The length of financial aid warning (i.e., one payment period)

♦   The condition(s) for being placed on financial aid warning (e.g., a student is automatically put on financial aid warning the first time he or she fails to make SAP, or each student is reviewed on a case-by-case basis before being put on financial aid warning, etc.)

♦   The student's responsibilities during a financial aid warning period (e.g., student must meet SAP standards by the end of the warning period)

♦   The consequences of failing to meet those responsibilities (e.g., student will be denied future aid until regaining eligibility by meeting the school's Title IV SAP standards)

♦   Any limits on allowable financial aid warning periods during a student's enrollment

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe the steps taken to put a student on financial aid warning. For example, if financial aid staff is responsible for recording a code in a computer system, indicate who is responsible and give a detailed description of how this is done. Describe the steps taken to monitor that students meet any required conditions.

Include information on how a student is informed about being placed on financial aid warning (e.g., student is sent a letter explaining this status and the consequences of not making SAP after the next

payment period). You may want to cross-reference any correspondence sent to students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

[Click here to insert Name of Your P&P Manual]

12.7   Categories of Students

Policies

If different SAP standards are used for student categories (e.g., full-time, part-time, undergraduate or graduate students, or students enrolled in certain educational programs), describe these categories, the applicable standards as outlined previously in subsections 12.1 to 12.6, and the reasons for establishing them. Include a statement describing consistent treatment within each student category.

668.34(a)(2)

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe how student categories are monitored and who is responsible for this process. Include information about any correspondence sent to these students. You may want to cross-reference any correspondence sent to these students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.8 Treatment of Nonpunitive Grades, Repeated Courses, Audited Courses, Pass/Fail Courses, Withdrawals, & Incompletes

Policies

Provide the school's definitions of **nonpunitive grades, repeated courses, audited courses, pass/fail courses, withdrawals, and incompletes**. Cross-reference your policies regarding the definition of a full-time student. Then describe how these courses are treated in the school's SAP policy. Include information such as:

♦ The maximum number of allowable repeated courses, withdrawals, and incompletes (if any)

♦ Acceptable reasons/conditions for course repetitions, withdrawals, and incompletes (if any)

♦ A time frame by which an incomplete course must be completed and the consequences of not meeting that time frame

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Explain the process used to track and monitor students who have **nonpunitive grades, repeated courses, audited courses, pass/fail courses, withdrawals, and incompletes**. If another office monitors this process, indicate the name of the office and describe how and who in the financial aid office is notified about these students. You may want to cross-reference any correspondence sent to these students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.9 Treatment of Remedial, Enrichment, & English as a Second Language Courses

Schools are given latitude in defining the effect of remedial, enrichment, and English as a Second Language (ESL) courses on SAP but are required to address these courses in their policies.

Policies

If your school offers remedial, enrichment, or ESL courses, describe your policies and how these courses impact a student's SAP. You might want to take into account the fact that no more than one year's worth of noncredit or reduced credit remedial coursework may be included in a student's enrollment status or cost of attendance and ESL courses do not count against the one-year limitation. Cross-reference the need analysis and program eligibility sections of your manual that address these issues.

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe the steps taken to monitor remedial, enrichment, and ESL courses, including information such as:

♦ How the financial aid office receives information about Title IV students enrolled in these classes

♦ How the financial aid office tracks and monitors students enrolled in these types of courses

♦ Who in the financial aid office is responsible for monitoring students enrolled in these types of courses

♦ How students are informed once they reach the maximum limit allowed by your policy, including details about any warnings students may receive before reaching the maximum limits

You may want to cross-reference any correspondence sent to these students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.10 Treatment of Consortium, Change of Major, Second Degree, & Second Major Courses

Policies

There are no specific federal requirements regarding students earning credits through a consortium/contractual agreement, students who change their major, or students working on second degrees or second majors; however, you must decide how these students will be treated with regard to the maximum time frame.

Describe your school's policy regarding consortium/contractual hours, major changes, second degrees, and second majors. Include a statement about how the school accounts for all hours attempted (e.g., so that no one group of students has more than the maximum amount of time for degree completion).

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Provide a step-by-step description of how student categories are identified (e.g., the registrar notifies the financial aid office of major changes). Include information about who in the financial aid office is responsible for monitoring the SAP of these student categories. You might want to cross-reference any correspondence sent to these students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

Resources

2011–12 *FSA Handbook*, p. 1-12

12.11 Completion of Degree Requirements

Policies

Describe your school's policies regarding degree completion. For example, a student who has completed all the coursework for his or her degree or certificate but has not yet received the degree or certificate cannot receive further financial aid for that program.

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe how the financial aid office monitors a student's completion of degree or certificate requirements (e.g., the registrar provides a report of all financial aid recipients who have fulfilled all degree or certificate requirements). You may want to cross-reference any correspondence sent to these students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.12 Notices

Policies

Schools are required to publish and make their SAP policy readily available to all current and prospective students. Describe your policy for publishing your school's SAP policy. You may want to cross-reference the process used for the academic progress policy your school uses for all of its students if the policy and/or the process are the same. Include information such as:

♦ The individual(s) responsible for publishing your school's SAP policy

♦ How, when, and where the policy is published (i.e. URL on your school's website, catalogue, financial aid brochure)

♦ Frequency of review and update of the SAP publication and the individual(s) responsible for these tasks

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe the method used by your school to make the financial aid office SAP policy readily available to currently enrolled and prospective students. Include information on how and when students are notified of the availability of the SAP policy and the procedures they must follow to obtain a copy of the policy.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

[Click here to insert Name of Your P&P Manual]

12.13 Appeals

Policies

Schools may have an appeal procedure for students who fail to make satisfactory academic progress. In order to approve a student's appeal, the institution must determine that the student will be able to meet its SAP standards by the end of the subsequent payment period or develop an academic plan for the student which, if followed, ensures he or she will be making SAP by a specified point in time. Describe your policy regarding SAP appeals, including information such as:

♦ Whether or not you allow students to appeal a determination they are not making SAP

♦ Which SAP standards can be appealed

♦ How students are informed about the appeal process

♦ The role of any individual or committee in the appeal process and who makes up the committee

♦ Whether there is a specific appeal form (You may wish to cross-reference the forms section of the manual)

♦ How an appeal is submitted (e.g. school may require all appeals be written, even though this is not a federal requirement)

♦ The number of times a student can submit an appeal (e.g., whether or not second appeals are considered)

♦ The deadline by which an appeal must be received and the time frame by which a student may expect to receive a response to the appeal

♦ Any terms and conditions associated with approved appeals

Describe some mitigating circumstances by which an appeal might be approved so personnel have a general understanding of what these circumstances are (e.g., family member's death, illness, etc.).

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Provide details regarding the SAP appeal process from the time the financial aid office receives an appeal until the student is notified of the outcome. Include information about who in the financial aid office is responsible for receiving, reviewing, and making appeal decisions. If there is a committee, describe its membership and role in the appeal process. You may want to cross-reference the professional judgment (PJ) section of the manual.

Include information about how the student is informed of the appeal outcome and who is responsible for making adjustments to the student's record and financial aid award, if warranted. You may want to cross-reference any correspondence sent to students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.13.1 Documentation

Policies

As with any use of PJ, adequate documentation is critical. A student who appeals must submit information explaining why he or she failed to meet SAP standards and what has changed in his or her situation which will allow him or her to be making SAP by the next evaluation. Additionally, since third parties may be used to document the mitigating circumstances surrounding a SAP appeal, give examples of documentation your school will accept to support an appeal. Some examples might include but are not limited to:

668.34(a)(9)(iii)
2011–12 *FSA Handbook*,
pp. 1-12 to 1-13

♦ Newspaper obituaries or death certificates to substantiate deaths

♦ Physician's written statement to substantiate illness or accident

♦ Written statement from clergy, family member, or other third party who knows the student's situation

♦ Written statement from academic advisor or professor

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe the following procedures:

♦ How appeals and documentation are tracked and forwarded to the staff (or committee) who reviews appeals

♦ Action taken if an appeal is received without proper documentation

♦ Action taken if documentation is submitted without an appeal

♦ How the financial aid office documents the action taken as a result of an appeal

You may want to cross-reference any correspondence sent to the student in the forms section of the appendix. You may also wish to cross-reference the forms and the document collection and tracking sections of the manual.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.13.2 Financial Aid Probation

Policies

If a school permits SAP appeals, it may place students on financial aid probation for one payment period if it approves an appeal. Students on financial aid probation are eligible for Title IV aid. Provide a detailed description of your policy regarding financial aid probation, including information such as:

668.34(a)(8)(ii), 668.34(b), *financial aid probation* 668.34(c)(2)(ii), (d)(2)
2011-12 *FSA Handbook*, p. 1-12

♦ The conditions for being placed on probation (e.g., a student is placed on probation after successfully appealing a determination he or she is not making SAP, or students must agree to the use of an academic plan after submitting a successful appeal)

♦ The student's responsibilities during probation (e.g., make SAP standards or meet the conditions of his or her academic plan)

- The consequences of failing to meet those responsibilities (e.g., the student will be denied future aid until regaining eligibility by meeting the school's Title IV SAP standards)

- Any limits on allowable probationary periods

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe the steps taken to put a student on financial aid probation. For example, if financial aid staff is responsible for recording a code in a computer system, indicate who is responsible and give a detailed description of how this is done. Describe the steps taken to monitor that students meet required conditions.

Include information about how a student is informed about being placed on financial aid probation (e.g., student is sent a letter explaining this status and the consequences of not making SAP after the next payment period). You may want to cross-reference any correspondence sent to students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.13.3 Academic Plans

Policies

Schools have the option of developing an academic plan for a student who successfully appeals a determination he or she is not meeting one or more of the institution's SAP standards and is placed on financial aid probation. Academic plans must be developed on a student-by-student basis, and designed in such a way that, if followed, the student will be meeting SAP standards by a specified point in time. The academic plan may specify that the student will be evaluated more frequently than other students.

> 668.34(c)(2)(ii), (d)(2)(iii)(B)
> *Federal Register*, 10/29/10, p. 66886
> 2011-12 *FSA Handbook*, pp. 1-12 to 1-13

The SAP regulations do not address the development of academic plans. Plans may be as simple as a mathematical calculation that specifies the percentage of coursework the

> *Federal Register*, 10/29/10, p. 66886

student must complete or as detailed as a course-by-course plan toward degree completion. If your institution uses academic plans as part of its SAP appeals, describe your policy for their use, including information such as:

♦ Which students will use academic plans (e.g., only first- and second-year students or the decision is made on a case-by-case basis)

♦ What is included in academic plans (e.g., a course-by-course plan for degree completion or a mathematical calculation which specifies the student's new pace)

♦ The role of financial aid office staff and other institutional staff in developing and monitoring academic plans

♦ How the institution will monitor students' compliance with their academic plans

♦ How often the student will be evaluated under his or her plan

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Provide details regarding your school's use of academic plans in the SAP appeal process from the point it decides a student should use a plan through the time the student is meeting the school's SAP standards. Include information about how students who could benefit from the use of academic plans are identified. Also describe the process you use to develop plans, including all involved staff. Detail the system you use to monitor student compliance with academic plans.

Include information about how the student is informed of the conditions in his or her academic plan, his or her compliance with the plan, and who is responsible for making adjustments to the student's record. You may want to cross-reference any correspondence sent to students in the forms section of the appendix.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

12.14 Regaining Eligibility

Policies

A student not making SAP may re-establish eligibility on his or her own, either because an appeal was denied, the school does not permit appeals, or because he or she did not submit an appeal. The institution must define specific procedures for a student to re-establish SAP on his or her own. It is up to the school to determine when such students are again meeting SAP.

Other than when an appeal is granted, a student can regain eligibility only by taking action that brings her into compliance with the qualitative and quantitative components of your school's academic progress standard. Neither paying for one's classes nor sitting out a semester affects a student's SAP standing, so neither is sufficient to re-establish eligibility, although these practices may be components of your SAP policy.

Describe the standards or criteria by which a student can re-establish eligibility. Include information about the period for which the student will resume receiving aid after re-establishing eligibility.

[Click here to insert your school's policies]

Last updated: [Click here to insert date]

Procedures

Describe how the financial aid office determines a student has re-established Title IV eligibility because he or she is making acceptable SAP (e.g., the student is responsible for notifying the financial aid office or the registrar notifies the financial aid office, etc.).

Include information about the steps the financial aid office takes to reinstate a student's Title IV aid eligibility.

[Click here to insert your school's procedures]

Last updated: [Click here to insert date]

Resources

668.34(a)(9)(i), (10)
2011–12 *FSA Handbook*, p. 1-13

2011–12 *FSA Handbook*, p. 1-13

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Prepared by the T&PD Committee   60   © NASFAA 2011

Satisfactory Academic Progress: Final Rules With Discussion From Federal Register

PART 668—STUDENT ASSISTANCE GENERAL PROVISIONS

Subpart B—Standards for Participation in Title IV, HEA Programs
Sec. 668.16 Standards of administrative capability.

To begin and to continue to participate in any Title IV, HEA program, an institution shall demonstrate to the Secretary that the institution is capable of adequately administering that program under each of the standards established in this section. The Secretary considers an institution to have that administrative capability if the institution—

*****

(e) For purposes of determining student eligibility for assistance under a title IV, HEA program, establishes, publishes, and applies reasonable standards for measuring whether an otherwise eligible student is maintaining satisfactory progress in his or her educational program. The Secretary considers an institution's standards to be reasonable if the standards are in accordance with the provisions specified in Sec. 668.34.—

(1) Are the same as or stricter than the institution's standards for a student enrolled in the same educational program who is not receiving assistance under a Title IV, HEA program;

(2) Include the following elements:

(i) A qualitative component which consists of grades (provided that the standards meet or exceed the requirements of Sec. 668.34), work projects completed, or comparable factors that are measurable against a norm.

(ii) A quantitative component that consists of a maximum timeframe in which a student must complete his or her educational program. The timeframe must—

(A) For an undergraduate program, be no longer than 150 percent of the published length of the educational program measured in academic years, terms, credit hours attempted, clock hours completed, etc. as appropriate;

(B) Be divided into increments, not to exceed the lesser of one academic year or one-half the published length of the educational program;

(C) Include a schedule established by the institution designating the minimum percentage or amount of work that a student must successfully complete at the end of each increment to complete his or her educational program within the maximum timeframe; and

(D) Include specific policies defining the effect of course incompletes, withdrawals, repetitions, and noncredit remedial courses on satisfactory progress;

~~(3) Provide for consistent application of standards to all students within categories of students, e.g., full-time, part-time, undergraduate, and graduate students, and educational programs established by the institution;~~

~~(4) Provide for a determination at the end of each increment by the institution as to whether the student has met the qualitative and quantitative components of the standards (as provided for in paragraphs (e)(2)(i) and (ii) of this section);~~

~~(5) Provide specific procedures under which a student may appeal a determination that the student is not making satisfactory progress; and~~

~~(6) Provide specific procedures for a student to re-establish that he or she is maintaining satisfactory progress.~~

Subpart C—Student Eligibility
Sec. 668.32 Student eligibility—general.

A student is eligible to receive Title IV, HEA program assistance if the student either meets all of the requirements in paragraphs (a) through (m) of this section or meets the requirement in paragraph (n) of this section as follows:

*****

(f) Maintains satisfactory academic progress in his or her course of study according to the institution's published standards of satisfactory academic progress that ~~satisfy the provisions of Sec. 668.16(e), and, if applicable, the provisions~~ meet the requirements of Sec. 668.34.

Subpart C—Student Eligibility
Sec. 668.34 Satisfactory academic progress.

~~(a) If a student is enrolled in an program of study of more than two academic years, to be eligible to receive title IV, HEA program assistance after the second year, in addition to satisfying the requirements contained in Sec. 668.32(f), the student must be making satisfactory under the provisions of paragraphs (b), (c) and (d) of this section.~~

~~(b) A student is making satisfactory progress if, at the end of the second year, the student has a grade point average of at least a "C" or its equivalent, or has academic standing consistent with the institution's requirements for graduation.~~

~~(c) An institution may find that a student is making satisfactory progress even though the student does not satisfy the requirements in paragraph (b) of this section, if the institution determines that the student's failure to meet those requirements is based upon—~~

~~(1) The death of a relative of the student;~~

~~(2) An injury or illness of the student; or~~

~~(3) Other special circumstances.~~

~~(d) If a student is not making satisfactory progress at the end of the second year, but at the end of a subsequent grading period comes into compliance with the institution's requirements for graduation, the institution may consider the student as making satisfactory progress beginning with the next grading period.~~

~~(e) At a minimum, an institution must review a student's academic progress at the end of each year.~~

(a) *Satisfactory academic progress policy*. An institution must establish a reasonable satisfactory academic progress policy for determining whether an otherwise eligible student is making satisfactory academic progress in his or her educational program and may receive assistance under the title IV, HEA programs. The Secretary considers the institution's policy to be reasonable if—

(1) The policy is at least as strict as the policy the institution applies to a student who is not receiving assistance under the title IV, HEA programs;

(2) The policy provides for consistent application of standards to all students within categories of students, e.g., full-time, part-time, undergraduate, and graduate students, and educational programs established by the institution;

(3) The policy provides that a student's academic progress is evaluated—

(i) At the end of each payment period if the educational program is either one academic year in length or shorter than an academic year; or

(ii) For all other educational programs, at the end of each payment period or at least annually to correspond with the end of a payment period;

(4)(i) The policy specifies the grade point average (GPA) that a student must achieve at each evaluation, or if a GPA is not an appropriate qualitative measure, a comparable assessment measured against a norm; and

(ii) If a student is enrolled in an educational program of more than two academic years, the policy specifies that at the end of the second academic year, the student must have a GPA of at least a ''C'' or its equivalent, or have academic standing consistent with the institution's requirements for graduation;

(5)(i) The policy specifies 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, as defined in paragraph (b) of this section, and provides for measurement of the student's progress at each evaluation; and

(ii) An institution calculates the pace at which the student is progressing by dividing the cumulative number of hours the student has successfully completed by the cumulative number of hours the student has attempted. In making this calculation, the institution is not required to include remedial courses;

(6) The policy describes how a student's GPA and pace of completion are affected by course incompletes, withdrawals, or repetitions, or transfers of credit from other institutions. Credit hours from another institution that are accepted toward the student's educational program must count as both attempted and completed hours;

(7) Except as provided in paragraphs (c) and (d) of this section, the policy provides that, at the time of each evaluation, a student who has not achieved the required GPA, or who is not successfully completing his or her educational program at the required pace, is no longer eligible to receive assistance under the title IV, HEA programs;

(8) If the institution places students on financial aid warning, or on financial aid probation, as defined in paragraph (b) of this section, the policy describes these statuses and that—

(i) A student on financial aid warning may continue to receive assistance under the title IV, HEA programs for one payment period despite a determination that the student is not making satisfactory academic progress. Financial aid warning status may be assigned without an appeal or other action by the student; and

(ii) A student on financial aid probation may receive title IV, HEA program funds for one payment period. While a student is on financial aid probation, the institution may require the student to fulfill specific terms and conditions such as taking a reduced course load or enrolling in specific courses. At the end of one payment period on financial aid probation, the student must meet the institution's satisfactory academic progress standards or meet the requirements of the academic plan developed by the institution and the student to qualify for further title IV, HEA program funds;

(9) If the institution permits a student to appeal a determination by the institution that he or she is not making satisfactory academic progress, the policy describes—

(i) How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs;

(ii) The basis on which a student may file an appeal: The death of a relative, an injury or illness of the student, or other special circumstances; and

(iii) Information the student must submit regarding why the student failed to make satisfactory academic progress, and what has changed in the student's situation that will allow the student to demonstrate satisfactory academic progress at the next evaluation;

(10) If the institution does not permit a student to appeal a determination by the institution that he or she is not making satisfactory academic progress, the policy must describe how the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs; and

(11) The policy provides for notification to students of the results of an evaluation that impacts the student's eligibility for title IV, HEA program funds.

(b) *Definitions*. The following definitions apply to the terms used in this section:

Appeal. Appeal means a process by which a student who is not meeting the institution's satisfactory academic progress standards petitions the institution for reconsideration of the student's eligibility for title IV, HEA program assistance.

Financial aid probation. Financial aid probation means a status assigned by an institution to a student who fails to make satisfactory academic progress and who has appealed and has had eligibility for aid reinstated.

Financial aid warning. Financial aid warning means a status assigned to a student who fails to make satisfactory academic progress at an institution that evaluates academic progress at the end of each payment period.

Maximum timeframe. Maximum timeframe means—

(1) 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;

(2) 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

(3) For a graduate program, a period defined by the institution that is based on the length of the educational program.

(c) *Institutions that evaluate satisfactory academic progress at the end of each payment period.* (1) An institution that evaluates satisfactory academic progress at the end of each payment period and determines that a student is not making progress under its policy may nevertheless disburse title IV, HEA program funds to the student under the provisions of paragraph (c)(2), (c)(3), or (c)(4) of this section.

(2) For the payment period following the payment period in which the student did not make satisfactory academic progress, the institution may—

(i) Place the student on financial aid warning, and disburse title IV, HEA program funds to the student; or

(ii) Place a student directly on financial aid probation, following the procedures outlined in paragraph (d)(2) of this section and disburse title IV, HEA program funds to the student.

(3) For the payment period following a payment period during which a student was on financial aid warning, the institution may place the student on financial aid probation, and disburse title IV, HEA program funds to the student if—

(i) The institution evaluates the student's progress and determines that student did not make satisfactory academic progress during the payment period the student was on financial aid warning;

(ii) The student appeals the determination; and

(iii)(A) The institution determines that the student should be able to meet the institution's satisfactory academic progress standards by the end of the subsequent payment period; or

(B) The institution develops an academic plan for the student that, if followed, will ensure that the student is able to meet the institution's satisfactory academic progress standards by a specific point in time.

(4) A student on financial aid probation for a payment period may not receive title IV, HEA program funds for the subsequent payment period unless the student makes satisfactory academic progress or the institution determines that the student met the requirements specified by the institution in the academic plan for the student.

(d) *Institutions that evaluate satisfactory academic progress annually or less frequently than at the end of each payment period.* (1) An institution that evaluates satisfactory academic progress annually or less frequently than at the end of each payment period and determines that a student is not making progress under its policy may nevertheless disburse title IV, HEA program funds to the student under the provisions of paragraph (d)(2) or (d)(3) of this section.

(2) The institution may place the student on financial aid probation and may disburse title IV, HEA program funds to the student for the subsequent payment period if—

(i) The institution evaluates the student and determines that the student is not making satisfactory academic progress;

(ii) The student appeals the determination; and

(iii)(A) The institution determines that the student should be able to be make satisfactory academic progress during the subsequent payment period and meet the institution's satisfactory academic progress standards at the end of that payment period; or

(B) The institution develops an academic plan for the student that, if followed, will ensure that the student is able to meet the institution's satisfactory academic progress standards by a specific point in time.

(3) A student on financial aid probation for a payment period may not receive title IV, HEA program funds for the subsequent payment period unless the student makes satisfactory academic progress or the institution determines that the student met the requirements specified by the institution in the academic plan for the student.

Satisfactory Academic Progress
[668.16(e), 668.32(f), and 668.34]

General

Comment 1: *Many commenters supported the proposed changes to the Satisfactory Academic Progress (SAP) regulations. Several commenters noted that the consolidation of the SAP requirements into § 668.34 would ease compliance and suggested that it would be helpful to revise the Federal Student Aid (FSA) Handbook to mirror the new organization of the requirements in the regulations.*

Several commenters noted that they appreciated that the proposed SAP regulations retain the flexibility provided under the current regulations for institutions to establish policies that best meet the needs of their students. Many commenters expressed support for the proposed changes to the SAP regulations because they viewed them as a means for helping hold students accountable for their academic goals earlier in their careers, which they believed would lead to lower student debt levels. Several commenters noted that their current policy and practices either met or exceeded the requirements in the proposed regulations.

Many commenters supported, in particular, the definition of the terms financial aid warning and financial aid probation as well as the standardized definitions of other terms related to SAP. These commenters stated that this standardization would lead to a more consistent application of the SAP regulations among institutions, which, in turn, will make them more understandable to students.

Many commenters also supported the SAP regulations because they give those institutions that choose to evaluate SAP more frequently than annually the ability to use a financial aid warning status, which they viewed as being beneficial to students. They stated that such a warning would lead to early intervention for students who face academic difficulties. Commenters also noted that the financial aid warning status will allow financial aid offices to strengthen their SAP policies to encourage students to use designated support services on campus and lead to further student success.

Discussion: The Department appreciates the support of its efforts to improve program integrity through its SAP regulations. With regard to the comment recommending that we revise the FSA Handbook to align it with the changes we have made in the SAP regulations, we will take this recommendation into account during the next revision of the FSA Handbook.

Changes: None.

General

Comment 2: *Several commenters did not support the proposed changes to the SAP regulations. Two commenters stated that the Department should delay implementation of the SAP regulations, including proposed § 668.34, so that we*

can resubmit these proposals for negotiation and evaluation in a future negotiated rulemaking proceeding. These commenters argued that the Department had not made a sufficient argument for what would be gained by the changes, and how these benefits would justify the additional burden imposed upon institutions by these regulations.

Two commenters stated that institutions were in the best position to design and implement a satisfactory academic progress policy that fit their institutional needs, and that the current regulations were sufficient for achieving this purpose. These commenters asserted that the proposed changes were intrusive and would lead to increased audit exceptions. These commenters also noted that the Department should consider incentives to encourage institutions to research student success in light of their own SAP policies. One commenter stated that the proposed regulations were too prescriptive, and that institutions would require significant guidance in the FSA Handbook in order to be able to comply with the new regulations.

Two commenters stated that while they generally agreed with the Department's desire to clarify the SAP regulations and with the proposed approach reflected in the NPRM, the regulations had a number of unintended consequences. These commenters indicated that the Department's proposal would force institutions to choose whether to take on additional workload by evaluating students each term, or to take on the additional workload caused by the dramatic increase in appeals. One of the commenters noted as an example an institution that has a number of Alaskan Native students to whom it provides significant support, particularly early in their careers; in this case, the commenter stated that these students would be significantly harmed by these SAP regulations as the students often cannot remedy their academic problems in a short period of time. Both of these commenters noted that while the Department believes that it has to address abuses with the current regulations, that it should weigh this against the unintended consequences of the proposed regulations, which include increased workload for institutions and unfair impact on certain groups of students.

Discussion: The Department disagrees with the commenters who suggested that these regulations should be resubmitted for the negotiated rulemaking process. The proposed changes to the SAP regulations in §§ 668.16(e), 668.32(f), and 668.34 have already been through the negotiated rulemaking process. In fact, the negotiators reached tentative agreement on these proposed changes. During negotiations, most negotiators stated that it was appropriate for the Department to provide certain flexibilities for those institutions that chose to check on the satisfactory academic progress of students more often than was required by the statutory minimum of annually. Many of the negotiators said that they supported the proposed changes to the SAP regulations because they continued to provide significant flexibilities for institutions to craft SAP policies that met the needs of their student bodies while still preserving program integrity. For the commenter who suggested that the Department should encourage institutions to study the consequences of their SAP policies and allow incentives for doing so, we will take this under advisement when we next have the opportunity to develop experimental site proposals.

We do not agree with the commenters who suggest that the SAP regulations are too prescriptive or intrusive. Section 484(c)(1)(A) of the HEA requires that an eligible student be making satisfactory progress towards program completion, and that institutions check at least annually for programs longer than a year, that a student is annually meeting that requirement. These regulations do not require institutions to do any more than what is required by the HEA, and are not more difficult to comply with than the current regulations. Therefore, institutions should not experience increased incidents of noncompliance. We will continue to provide any applicable and needed guidance in the FSA Handbook to assist institutions in complying with the regulations. We do agree with the commenters who stated that an increase in SAP monitoring to a payment period by payment period basis would increase administrative burden. However, institutions are free to continue to monitor as frequently as they currently do, and are not required to change their SAP policy and monitor every payment period. As for the unintended consequences for particular groups of students, these regulations allow for institutions to craft SAP policies that best fit the needs of their students. An institution could evaluate the needs of any special student groups and find ways to work effectively with those students. For example, a specific student may need to have assistance developing an academic plan that will enable him or her to be successful.

Changes: None.

Delayed Implementation

Comment 3: *Several commenters suggested that implementation of the proposed changes to §§ 668.16(e), 668.32(f) and 668.34 should be delayed for a couple of years to allow institutions to prepare their policies and procedures to comply with the regulatory changes. One commenter recommended that implementation be delayed until the 2012–13 award year to allow for institutions to make changes to their monitoring systems. Another commenter encouraged the Department to delay implementation of the regulations for SAP, but noted that if we do not delay implementation, then the Department should issue guidance as to how the new regulations will affect summer crossover payment periods. This commenter expressed concern that, without this additional guidance, it will be unclear as to which SAP regulations apply to students enrolled in summer.*

Discussion: While the Department appreciates that some institutions may have to make changes to computer monitoring systems, or written policies and procedures, we do not believe that the changes to the SAP regulations are extensive enough to warrant delayed implementation. Institutions that may have to adjust or change their SAP policy will have to publicize such a change to students, and let students know when any new SAP policy is effective. As such, the summer crossover payment period would be addressed by the school's new policy and would be subject to the effective date of the school's new policy. For example, a school may decide that for the purpose of this policy change, a 2011–12 summer crossover period will be subject to their current SAP policy and procedures, as part of the 2010–11 award year. This would be acceptable, and should be addressed in the school's notification to their students of the effective date of any new policy.

Changes: None.

Comment 4: *Two commenters stated that the term ''financial aid applicants'' should be substituted for the word ''students'' in § 668.34. The commenters indicated that students who had not applied for financial aid would be confused by notifications about eligibility under the SAP regulations. These commenters argued that institutions should only be required to send notifications to financial aid applicants, and that the proposed requirement that notifications be sent to all of an institution's students is unreasonable.*

Discussion: There is no requirement in the proposed regulations for schools to notify students who are not applying or receiving title IV, HEA aid of their eligibility under SAP. These regulations do not impose such a requirement. Moreover, we do not believe it is necessary to replace the term ''student'' with the term ''financial aid applicant'' in these regulations since we are referring to general student eligibility criteria, which affect not only financial aid applicants, but recipients of title IV, HEA funds as well. There is no attempt to regulate any other students in these regulations.

Changes: None.

Consistency Among Categories of Students

Comment 5: *One commenter noted that proposed § 668.34(a)(2) retained the language from current § 668.16(e)(3) that the institution's policy must be consistent among categories of students. This commenter questioned whether, within the categories of students, an institution could evaluate sub-categories of students differently. For example, within the group of undergraduate students, could an institution choose to evaluate freshmen and sophomore students every payment period but upperclassmen only once a year. The commenter noted that this approach might be used if the institution determined that students in the first two years needed more intervention, and that after that time students were more likely to remain enrolled until graduation. The commenter also asked if this approach is allowable, could the institution use a financial aid warning for those students who are evaluated every payment period.*

One commenter noted that proposed § 668.34(a)(2) does not appear to allow for different evaluation periods based upon the type of student or program being evaluated. For example, this commenter noted that an institution may want to evaluate undergraduates each payment period and evaluate graduate students annually. The commenter proposed changes to the regulatory language that would allow for such a difference.

Discussion: These regulations retain the flexibility for an institution to evaluate different categories of students differently, as long as the policy provides for consistent application of standards within each of the categories of students. Institutions retain flexibility to create a policy within those groups of students to best meet the needs of its student body. If they wish to institute a policy that evaluates freshmen and sophomores every payment period, and juniors and seniors annually, an institution is free to do so. Such a policy would only allow for the automatic financial aid warning status to be used for

those students who are evaluated every payment period. This would, however, allow for a policy that is sensitive to the needs of the institution's student body. For this reason, we do not believe that any changes are needed to respond to the commenters' concerns.

Changes: None.

Frequency of Evaluation

Comment 6: *One commenter supported the proposed regulations, but expressed concern that an institution may not have time prior to the start of the next term to evaluate SAP, thereby resulting in students owing a repayment of title IV, HEA funds. Several commenters noted that for some academic periods there is not enough time to evaluate students prior to the beginning of the next payment period. These commenters noted that this is particularly true for institutions with quarters and even most traditional calendar schools for the period after the summer term. One commenter stated that, in order to accommodate the realities of institutions that use the quarter system, all institutions that monitor their students' satisfactory academic progress more frequently than annually should be allowed to use the financial aid warning status.*

Several commenters argued that the Department should not require institutions to evaluate more frequently than annually. Numerous commenters did not agree with the Department giving additional flexibilities to those institutions that evaluate the satisfactory academic progress of its students each payment period rather than annually. One commenter stated that it was unfair to ''pressure'' institutions to check a student's satisfactory academic progress more frequently than once per year, particularly if they have stable student populations and good graduation rates. This commenter argued that these types of institutions should be allowed to use the flexibility of the financial aid warning status even if they monitored SAP less frequently than every payment period. Another commenter representing an association noted that some of its members objected to what they perceived as the Department restricting flexibility when an institution is in compliance with the minimum yearly requirement established under section 484(c)(1)(A) of the HEA. Another commenter argued that it would decrease student success to require all institutions to check satisfactory progress each payment period, as students would not know from one term to the next what their eligibility for aid might be. This commenter expressed concern that this would particularly disadvantage low income and minority students.

One commenter argued that by strengthening other parts of the SAP regulations, only one probationary period for example, abuses could be curtailed, and institutions would not be encouraged to create more lenient policies.

Discussion: The Department appreciates the fact that there could be an increased administrative burden for some institutions to change the frequency with which they monitor the satisfactory academic progress of their students to a payment period-by-payment period basis. However, changing the frequency for monitoring satisfactory academic progress is not required under these regulations;

institutions still have the flexibility to create a policy that best meets the needs of their student body. If an institution believes, for example, that evaluating SAP every payment period would create too much uncertainty for their students, then they are not required to develop such a policy.

With respect to the commenter who suggested that institutions with stable student populations and good graduation rates should be able to use the flexibility of the financial aid warning status even if they monitored SAP on an annual basis, we do not believe it is appropriate to allow extended periods of financial aid warning because this is essentially providing title IV, HEA aid to students who are not making progress towards program completion. We understand that some institutions believe that the Department is unfairly placing restrictions on institutions that choose to stay with minimum annual evaluations, or to evaluate less frequently than every payment period. However, we do not believe that it is appropriate to continue to allow a student who does not meet eligibility criteria to continue to receive title IV, HEA funds without a formal intervention by the institution in the form of an appeal approval or an academic plan.

Changes: None.

Comment 7: *Several commenters noted that students who attend quarter schools face an inequity under proposed § 668.34 in that they could lose title IV, HEA eligibility after 20 weeks, whereas for a student at a semester school, they could lose title IV, HEA eligibility after 30 weeks, which is an academic year. These commenters asserted that this subjects the student at a quarter school to more rigorous evaluation. These commenters expressed concern that institutions might choose to evaluate the SAP of their students annually in order to level the playing field for their students, as well as relieve administrative burden.*

One commenter expressed concern that the term ''annually'' in § 668.34 was subject to interpretation and that questions would arise as to whether this term referred to every calendar year, every 12 months, or every academic year. This commenter suggested that the Department revise § 668.34(a)(3)(ii) and (d) to refer to ''every academic year'' rather than ''annually''.

Discussion: The Department notes that a student in a quarter program would be evaluated three times in an academic year, while the student in a semester program would be evaluated twice in an academic year. While some institutions may view this as a more rigorous evaluation, it also allows more opportunities for intervention by the institution. We would hope that an institution would develop a policy that would best serve the needs of students, and that if the institution believes that more frequent evaluations would be beneficial, that it would work with faculty and other parties to attempt to make such a review possible, for example, by shortening the amount of time that it takes grades to become available for evaluation.

The Department notes that institutions that currently review student progress annually choose to review all students at a specific point in time, such as at the end of the spring term or spring payment period. The Department agrees that this is an appropriate and reasonable institutional policy for an institution that reviews academic progress annually. We do not believe that further regulatory language is necessary to specify that the reviews happen every academic year because if the review happens annually, it necessarily will happen every academic year.

Changes: None.

Comment 8: *Several commenters indicated that the proposed SAP regulations will not work well for nonterm and nonstandard term programs. They noted that because students in these types of programs complete payment periods at various points during the year, institutions with these types of programs would be unable to evaluate SAP at the end of each payment period. One commenter specifically asked the Department to clarify how SAP in a nonterm program could be evaluated under proposed § 668.34. Another commenter noted that institutions with 8-week terms would find it overly burdensome to evaluate academic progress every payment period. This commenter indicated that an unintended consequence of the proposed changes reflected in § 668.34 would be that institutions with nonstandard term or nonterm programs would evaluate less frequently than currently, due to the administrative burden. Several commenters suggested that to avoid this unintended consequence, the regulations should allow institutions with nonterm programs to set evaluations based upon calendar dates rather than payment period completion. One commenter stated that these ''scheduled satisfactory academic progress calculation'' periods could then be used as the basis for the student's continued receipt of aid or placement on financial aid warning. This commenter also suggested that we revise § 668.34 to make the financial aid warning status available to those institutions with nonterm programs that evaluate student academic progress more frequently than annually but not in conjunction with payment periods. The commenter expressed that much confusion will result if the Department does not address how institutions with nonterm programs, where the annual review date chosen for SAP review does not coincide with a payment period, can comply with these regulations.*

Another commenter stated that the Department should consider studying different instructional delivery models in order to determine how to best regulate accountability for institutions that need to evaluate SAP for students in nonstandard programs.

Discussion: The Department recognizes the complicated monitoring that institutions with nonterm and nonstandard term programs will need to implement to comply with § 668.34 for evaluating the academic progress of students in these programs, if they choose to evaluate SAP on a payment period-by-payment period bases. This is because, for these programs, institutions could have students completing payment periods on a daily basis. We understand why institutions may find it easier to set one particular calendar date to evaluate the SAP of all of their students in these programs. However, we do not believe that this approach will work because on any given date, any particular student could be at the beginning, middle, or end of a payment period. The SAP review must account for completed coursework, and students in the middle of a payment period, for example, might still have days or weeks to go to finish that work. We do believe that the institution could set a particular time period when it evaluates SAP for all of its students. For example, the institution could set a policy that SAP evaluation will occur for all students upon the completion of the payment period in a given month(s). The evaluation would then include all of the coursework that an individual student completes for the payment period completed in that month. We do not believe that evaluating students at any moment in time other than at the end of a payment period is an appropriate measure of the student's current

progress towards program completion, as it is not generally possible to evaluate the work in progress. By evaluating all of the most recently completed work, a SAP evaluation will be most accurate in portraying a student's progress, and will enable the institution to evaluate SAP prior to making the payment for the next payment period thereby insuring payments only to eligible students. We have, therefore, made a change to the proposed regulations to clarify that the evaluation must occur at the end of a payment period. With regards to the commenter who suggested that the Department should conduct a study in order to determine the best way to regulate accountability for students in nontraditional programs, we will take this recommendation under advisement.

Changes: We have revised § 668.34(a)(3)(ii) to provide that, for programs longer than an academic year in length, satisfactory academic progress is measured at the end of each payment period or at least annually to correspond to the end of a payment period.

Comment 9: *Two commenters noted that the proposed SAP regulations do not address students with disabilities and their needs, especially during the appeals process, as such students may need several appeals.*

Discussion: When evaluating a student appeal under § 668.34, an institution may take into consideration factors that could have affected the student's academic progress. These factors can include whether the student has a disability or other extenuating circumstances. Additional considerations may also be given in an academic plan for a student who has a disability as long as applicable title IV, HEA program requirements are followed. Therefore, we do not believe that it is necessary to include any additional regulatory language on evaluating the SAP of students with disabilities or the appeals process for those students.

Changes: None.

Comment 10: *One commenter, who expressed concern that the proposed SAP regulations were cumbersome, asked whether the regulations would permit two specific types of situations. First, the commenter asked whether an institution could retain the ability to utilize the financial aid warning status if its SAP policy stated that it would begin monitoring a student's academic progress after the student's first academic year, and then continue to monitor the student's progress every payment period thereafter. Second, the commenter asked whether a student could continue to receive title IV, HEA aid without further appeal if the student is in financial aid warning status and he or she submits, and continues to meet the terms of, an acceptable academic plan.*

Discussion: The proposed regulations allow for significant flexibilities for institutions. If the institution wishes to monitor at different periods in time, such as at the end of the first year, and then by payment period after that, it is free to do so. In this situation, only those students who are evaluated each payment period may receive the automatic financial aid warning status.

With regard to the second scenario described by the commenter, a student who has appealed a determination that he or she is not meeting satisfactory academic progress and is attending his or her program under an approved academic plan because he or she is on financial aid warning status remains eligible for title IV, HEA aid as long as he or she continues to meet the conditions of that plan. In such a situation, the student's academic progress would simply be re-evaluated at the same time as the

institution's other title IV, HEA aid recipients are evaluated, unless its policy called for a different review period.

Changes: None.

Comment 11: *One commenter noted that at his institution summer is considered a trailing term, and the institution evaluates SAP at the end of the spring term. The commenter asked whether summer coursework could be used retroactively as part of the student's academic plan. The commenter also questioned whether the institution could state in its SAP policy that it reviews SAP after all work for the academic year is completed. Under this approach, the institution would review some students in the spring and others after they complete summer term. Another commenter asked how to handle an optional summer term.*

Discussion: An institution may choose to state in its SAP policy that it monitors academic progress at the end of the student's completion of the academic year. These SAP regulations still leave the flexibility to the institution to determine what policy will best serve its students. We note, however, that under an institution's SAP policy, the institution must evaluate all of the student's coursework at some point, and that the financial aid warning status described in § 668.34(b) is only available to institutions that evaluate a student's academic progress every payment period.

If an institution evaluates SAP by payment period, then it would evaluate a student's academic progress at the end of each payment period that the student attends. If the institution evaluates SAP annually, then it would evaluate all of the coursework that the student has attempted and completed since the last annual evaluation to determine whether the student is making satisfactory academic progress. There are no periods of the student's attendance that are not considered in the evaluation.

Changes: None.

Minimum GPA

Comment 12: *One commenter noted that, under current § 668.34(b), a student must have a ''C'' average or its equivalent after two years in order to make satisfactory academic progress. The commenter noted that the Department's guidance in this area has been that the student must have a ''C'' average or its equivalent after two years of attendance, regardless of the student's enrollment status during that time. The commenter stated that proposed § 668.34(4)(ii) states that the ''C'' average is required at the end of two academic years. The commenter asked the Department to clarify whether the use of the phrase ''two academic years'' as opposed to the phrase ''two years'' results in any substantive change in how the Department interprets this requirement. Another commenter stated that the current regulations are sufficient in this area, because they allow institutions to interpret the phrase ''two years'' in the way that is best for their students.*

Discussion: The term ''academic year'' is used in section 484(c)(1)(B) of the HEA, which states that a student is considered to be maintaining satisfactory academic progress if the student has a cumulative ''C'' average, or its equivalent or academic standing consistent with the requirements for graduation, as

determined by the institution, at the end of the second such academic year. We changed the reference from ''year'' to ''academic year'' in § 668.34 to more closely align this regulatory language with the corresponding statutory language. This change, however, does not alter the Department's interpretation that this requirement means that a student must have a ''C'' average or its equivalent after two years of attendance, regardless of the student's enrollment status.

Changes: None.

Pace

Comment 13: *Two commenters noted that proposed § 668.34(a)(5)(ii) states that an institution is not required to include remedial coursework when determining the attempted and completed hours for purposes of evaluating a student's pace toward completion of the program. Both commenters requested clarification that an institution may, but is not required to, include remedial coursework when making its SAP determination.*

Discussion: It is the Department's longstanding position that an institution is not required to include remedial courses when calculating the student's progress towards program completion. While an institution is not required to include remedial courses when calculating pace under the SAP analysis, it may do so as long as its SAP policy otherwise meets the requirements in § 668.34.

Changes: None**.**

Comment 14: *One commenter, who noted that its students enter a program at multiple points during the year, asked the Department to clarify how to calculate a student's ''pace'' toward program completion under proposed § 668.34(a)(5)(ii). This commenter also asked whether full time or part time enrollment should be used to calculate pace toward completion under these regulations. Another commenter asked the Department to clarify how pace relates to maximum timeframe under these regulations. This commenter questioned whether a time component of weeks or months to program completion needed to be part of the pace measurement. Another commenter expressed concern that proposed § 668.34(a)(5) is less clear than a strict percentage of completion policy. This commenter, who came up with a 67 percent minimum required completion rate when applying the pace formula and the maximum timeframe requirements to the normal BA graduation requirements, argued that the Department should revise the regulations to list the minimum completion rate that would allow a student to complete his or her program in a 150 percent maximum timeframe (67 percent completion in the commenter's calculation).*

This commenter also stated that any institution that had a stricter than minimum SAP policy, such as higher required completion rates, should be allowed to use the financial aid warning status, even if it only checked SAP on an annual basis. The commenter stated that this would allow those institutions with stricter policies and high completion rates to use the flexibility offered through the use of the financial aid warning status.

Discussion: Proposed § 668.34(a)(5)(i), together with the definition of *maximum timeframe* in § 668.34(b), defines ''pace'' for purposes of SAP evaluations; it is 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 and provides for measurement of the student's progress at each SAP evaluation. Proposed § 668.34(a)(5)(ii) provides the formula that an institution must use at each SAP evaluation to calculate pace: divide the cumulative number of hours the student has successfully completed by the cumulative number of hours the student has attempted. This calculation is to be used regardless of the student's enrollment status, as the formula is designed to measure completion appropriately for each student regardless of whether that student attends full time or part time. The Department believes that these requirements for measuring pace toward program completion provide maximum flexibility for both students and institutions. Students are free to attend at whatever enrollment status is appropriate for them, and institutions can measure the pace as appropriate for their students. Because a graduated pace standard (*i.e.,* 50 percent the first year, 60 percent the second year, and 70 percent every year thereafter) is permissible, the Department does not believe it is appropriate to regulate a specific completion rate for all students in all programs at all institutions.

Changes: None.

Transfer Credits

Comment 15: *Several commenters stated that, for purposes of calculating pace toward program completion under § 668.34(a)(5), transfer credits should only count in the completed hours category, but not the attempted hours category, because those credits were not taken at the institution determining SAP. Another commenter stated that transfer credits should only be counted in the attempted hours category but not the completed hours category. One commenter requested clarification as to whether the requirement in § 668.34(a)(6) to count transfer credits as both attempted and completed means that institutions are required to request and evaluate all applicable transcripts.*

Discussion: Whether or not an institution evaluates the transcripts of all coursework taken by a student at previous institutions is a decision left to the institution. The Department has not required institutions to request transcripts for previously completed work, and is not doing so now. However, in so much as credits taken at another institution are accepted towards the student's academic program under the institution's academic requirements, we do believe it is appropriate to include those credits in both the attempted and completed hours category when measuring pace towards completion for each SAP evaluation period.

Changes: None.

Comment 16: *One commenter recommended that the Department revise § 668.34(a) to require transfer credits to be considered when determining progress towards maximum timeframe, but not for purposes of determining the pace of completion for each evaluation period. This commenter stated that counting transfer credits when looking at each evaluation period would give transfer students an unfair advantage in the pace to completion calculation.*

Another commenter noted that the practice of excluding courses that were not degree applicable from the pace calculation for evaluating SAP has prompted many students to change majors in order to retain financial aid eligibility. The commenter opined that this practice leaves the door open to abuse of the system. Additionally, the commenter stated that the Department should require that all courses that the student had attempted and completed in his entire career be included in the pace computation for purposes of determining the student's progress toward program completion.

Discussion: The Department acknowledges that transfer students may have a slight advantage over other students when an institution calculates their pace toward program completion. However, this inclusion of transfer credits in the calculation of pace will allow for a more level playing field for all students, and standardize treatment of completed credits in the SAP evaluation. This is because including transfer credits in the calculation of pace means we are considering all completed work for all students.

We also note that the Department has had a longstanding policy that institutions are free to set their own SAP policy that deals with major changes as they relate to measurement of maximum timeframe. Therefore, if an institution wishes to limit the number of major changes that it will allow a student, then it is free to set a policy that does so.

Changes: None.

Financial Aid Probation and Financial Aid Warning Statuses

Comment 17: *Many commenters found the definitions of the terms financial aid warning and financial aid probation in proposed § 668.34(b) to be helpful. These commenters stated that it was very useful to have standard vocabulary to use when discussing SAP. Some commenters noted that these terms and concepts matched their current policy while others requested slight changes to the terms or definitions so that they align more closely with their own institution's policies. Several commenters sought clarification, however, as to whether institutions are required under these regulations to use the newly defined terms of financial aid warning and financial aid probation in their consumer information and other communications with students, or whether we would allow them to continue to use their current terminology. These commenters expressed concern that their students might be confused if they changed the terminology used in this area.*

Discussion: The Department intends to allow institutions to have as much flexibility as possible in developing an appropriate SAP policy for their institution as well as consumer information materials for their students. However, institutions must incorporate these regulations changes into the information that they provide to students; this includes ensuring that the information made available by the institution uses the terminology used in these regulations.

Changes: None.

Comment 18: *Several commenters expressed support for the addition of the concept of a financial aid warning status, but believed that the use of this status should be*

available to all institutions, regardless of how often they performed a SAP evaluation. Some of the commenters asserted that this would allow institutions additional flexibility in administering SAP that would be beneficial for students. Some commenters also noted that it would be an administrative burden to review students more frequently. Others indicated that they had stable student populations and did not need to evaluate more often than annually. At least one commenter opined that schools with good graduation and completion rates should be able to use the financial aid warning status regardless of how often they checked SAP. Some commenters argued that the financial aid warning status should be an option for all institutions to use automatically and without intervention, and for periods as long as a year or until the next scheduled evaluation. One commenter suggested that in exchange for allowing all institutions to use the financial aid warning status regardless of how often they evaluate students' academic progress, institutions should be required to remind students of their SAP standards at the end of any payment period in which an evaluation is not done. Some commenters wanted to know if the financial aid warning status could be used to evaluate a student's progress and to help to prepare an academic plan and appeal for the student, so that the student would not suffer a lapse in eligibility.

Discussion: While we appreciate the fact that institutions support the flexibility that the financial aid warning status provides, the Department feels strongly that this option should only be available when an institution evaluates SAP each payment period. It is important to remember that a student who is on a financial aid warning status is one who is not actually meeting SAP standards.

If an institution has a stable student population and does not believe it needs to evaluate SAP each payment period, then it is not required to do so. We recognize that there is an additional administrative burden involved for institutions to evaluate every payment period, but we also believe students benefit from the early intervention of this approach. We believe that this approach will impact favorably on student completion rates, as well as help minimize student debt levels for those that are not on track to complete a program successfully. We note that, during the negotiated rulemaking process, several negotiators had a SAP policy that required checking a student's academic progress each payment period. These negotiators related numerous student success stories that resulted from early intervention. This demonstrated success with this approach led to the negotiators supporting the proposed SAP regulations.

We believe that it is important to get students back on track as soon as possible, and not allow the continued provision of title IV, HEA aid to students who are not making progress towards program completion under the institution's SAP standards. Allowing a financial aid warning status for one payment period allows the institution to provide an alert to that student of his status, as well as provide any needed support services. The institution could use the time to meet with the student and, if the situation means that an appeal will be necessary, to help the student prepare that appeal or to prepare an academic plan. The same benefit is not realized if the student simply receives notice of the institution's SAP policy, as he may not understand his individual status with regards to the policy.

Changes: None.

Comment 19: *Several commenters expressed support for the financial aid warning and financial aid probation statuses proposed in § 668.34, but requested that the Department add to the SAP regulations a defined term for a student who has lost eligibility for title IV, HEA aid as a result of an institution's evaluation under the SAP regulations. Several other commenters questioned what status would be assigned to a student who was reinstated on an academic plan and was making progress under that plan. These commenters wondered whether these individuals would still be considered to be on financial aid probation status, or if the Department planned to define another term to refer to them.*

Discussion: A student who is not meeting SAP is simply not eligible to receive title IV, HEA aid, as he or she does not meet one of the basic student eligibility criteria. For this reason, we do not believe it is necessary to define another term to describe this individual, just as we do not have specific terms to describe students who may not be meeting other basic student eligibility criteria.

A student who has been reinstated to eligibility under an academic plan and is making progress under that plan is considered to be an eligible student. The student is not considered to be on financial aid warning status or financial probation status, provided he or she is otherwise making satisfactory progress.

Changes: None.

Comment 20: *A few commenters argued that proposed § 668.34(c) could be interpreted to allow an institution to place a student on financial aid warning status for more than one payment period, and that, under this interpretation, the student would be able to get title IV, HEA aid for multiple payment periods when the student is on financial aid warning status as long as the student was within range of moving into compliance with the institution's SAP standards. These commenters stated that the language in § 668.34(c) does not need to be interpreted so narrowly so as to limit the number of payment periods during which a student could be placed on financial aid status to one payment period.*

Other commenters suggested that students could develop and follow an academic plan during the period of their financial aid warning and that this approach would allow for students to be put on financial aid warning status for multiple periods. These commenters all opined that there was a range of deficiencies within any category of student failure, and that students may require differing amounts of intervention to get back on track to meet the institution's SAP standards. The commenters stated that institutions should be able to define different bands of need for assigning financial aid warning statuses. Several other commenters requested that the Department clarify that students may be placed on financial aid warning or financial aid status for multiple payment periods throughout their academic careers.

Other commenters asked the Department to clarify whether the requirements around financial aid warning or financial aid probationary statuses allow students to receive title IV, HEA aid for more than one payment period. One commenter indicated that lack of financial aid during a period in which the

student is on financial aid probationary status would cause problems for
students. The commenter stated that this would cause barriers for the most
needy and at-risk students.

Discussion: The financial aid warning status and the financial aid probationary status are both defined in § 668.34(b). A student who has not made satisfactory academic progress and is placed under one of these statuses may continue to receive title, IV HEA aid for one payment period only, under very specific circumstances. We do not intend for the language in § 668.34(b) to be interpreted in any other fashion. To respond to the commenter who believed that lack of financial support during this period would disadvantage students, it is important to note that both of these statuses provide for one payment period of title IV, HEA funds. It is possible for institutions that are able to use the financial aid warning status to do any sort of intervention with a student that they deem appropriate during the period of time the student is in that status, including help them to prepare an appeal or refer them to other student support services. We do not believe that it is appropriate, however, to continue placing students on a financial aid warning status for more than one payment period because these are students who are not making progress toward program completion. We do not believe it is appropriate to put the student on an academic plan and simply continue such a plan without an appropriate appeal. This is because we believe that a student should be required to file an appeal and explain the reason that he or she has not been able to meet the SAP standards, and what in his or her situation has changed. It is important for the student to have ownership in his or her current situation and the resulting academic plan, with an understanding of the consequences the student faces if he or she fails to follow the academic plan. We do agree with the commenters who suggest that it is possible for a student to be subject to more than one period of financial aid warning, or to submit more than one appeal throughout an academic career, if the institution's SAP policy allows it.

Changes: None.

Comment 21: *Numerous commenters objected to the requirement in the proposed regulations for institutions to check SAP on a payment period-bypayment period basis. They argued that it is unreasonable for the Department to impose such a requirement on institutions that do not have any history of abuse in this area and that otherwise have good SAP policies. These commenters noted that it would be overly burdensome to require institutions to change their SAP procedures to require SAP evaluations every payment period.*

Discussion: Section 668.34(a)(3) is consistent with current § 668.16(e)(2)(ii)(B), which requires institutions to check academic progress for programs that are longer than an academic year at least annually. While institutions can check academic progress for these programs more frequently, they are not required to do so. Under these regulations, institutions are only required to evaluate satisfactory academic progress more frequently if the program is shorter than an academic year.

Changes: None.

Comment 22: *A couple of commenters asked the Department to confirm that the financial aid warning and financial aid probation status would be applied to the student's next payment period (following the institution's determination that the student is not maintaining SAP) and not simply to the next payment period at the*

institution. These commenters argued that it was important to apply the status to the student during the next term that the student was actually in attendance.

One commenter believed that a program of an academic year in length or shorter should not be allowed to use the financial aid warning status because a student in such a program would never be denied title IV, HEA funds for not making SAP.

Discussion: Under these regulations, an institution would apply the financial aid warning or financial aid probation status to a student during the student's next period of attendance. It is not reasonable to assume that the student would be considered to be on financial aid warning, for example, if he or she were not in attendance. For shorter programs (*i.e.,* those that are an academic year or less), the definition of a payment period does not allow disbursement of aid until the student has successfully completed the previous payment period. For such programs, if an institution places the student on financial aid warning, the student will either complete the program or withdraw. If the student completes the program, then he or she has been successful. If he or she withdraws, then the return of funds requirements in § 668.22 will apply. In either case, the student received only those funds for which he or she was eligible. We do not plan to make any changes in this area.

Changes: None.

Appeals

Comment 23: *Many commenters agreed with allowing students who would otherwise lose eligibility for title IV, HEA aid to appeal the loss of eligibility. Some commenters expressed concern that the requirements for an appeal were too prescriptive; for example, the commenters noted that § 668.34(b) requires that students articulate what had changed in their situation and that students might not be able to comply with this requirement. Other commenters stated that the Department should make the SAP appeal regulations more prescriptive, including by specifying the type of documentation required to be submitted with an appeal. Several commenters believed that it was too burdensome on institutions to require them to address student appeals, while others stated that it was too burdensome to require institutions to develop or evaluate academic plans for students who appeal.*

Discussion: These SAP regulations do not require that an institution accept or evaluate student appeals of determinations that the student is not making SAP. Moreover, the regulations do not require institutions to develop or process an academic plan for a student who appeals. These are merely offered as options for institutions who wish to allow those students who are no longer meeting the SAP standards to continue to receive title IV, HEA aid. It is important to note that an academic plan for a student may be as complicated as a course by course plan toward degree completion, or as simple as a mathematical calculation that specifies the percentage of coursework that the student must now complete. Academic plans need not be complicated or detailed; the purpose of these plans is merely to put the student on track to successful program completion. Section 668.34(a)(10) does require that an institution that does not accept appeals notify students as to how eligibility for title IV, HEA aid can be regained by those who do not meet SAP standards. An institution is free to craft a SAP policy that allows appeals or not, and to specify when and how such appeals will be permitted as well as how often and

how many times a student may appeal. Likewise, an institution may or may not allow an academic plan to be submitted for a student. The SAP policy of the institution should specify the conditions under which an academic plan might be approved, or if one will be considered at all. Because institutions have significant flexibility in this area, the Department does not believe that these regulations will impose any additional burden.

Changes: None.

Comment 24: *Some commenters requested clarification as to when students on an academic plan would be evaluated. Several commenters requested that we clarify that a student may submit more than one appeal during the course of his or her academic career. A couple of commenters inquired whether students could appeal the 150 percent completion requirement, and exceed this maximum timeframe if they are progressing under an approved academic plan.*

One commenter also asked the Department to clarify what is meant by the requirement in § 668.34(c)(3)(iii)(B) and (d)(2)(iii)(B) that an academic plan ensure that the student meet the SAP standards at a specific point in time. The commenter noted that the student could actually be able to graduate the following term, and questioned whether an appeal could be approved at that point.

Discussion: Under these regulations, the institution has the flexibility to specify whether students on an academic plan would have their academic progress evaluated at the same time as other students, or whether they would be subject to more frequent SAP evaluations. They should determine what is best for students and make their policy clear in their SAP standards. As noted earlier in this preamble, an institution also retains flexibility under these SAP regulations to allow multiple appeals by an individual student.

Alternatively, an institution could decide not to allow appeals at all. We note, however, that because pace to program completion within 150 percent of the published length of the educational program is required to be evaluated each SAP evaluation period, it would be reasonable to assume that a student who is not meeting the institution's SAP standards is not on schedule to complete the program within the required maximum timeframe. Therefore, this component of the SAP standards would be subject to appeal, if the institution chooses to permit appeals. Finally, we expect institutions to assist a student who appeals on this basis to plot a course to successful completion within a new maximum timeframe and to then monitor this pace toward completion. Any academic plan would need to take into account the student's progression to completion of his or her program, which could, in fact, be the next term.

Changes: None.

Maximum Timeframe

Comment 25: *Several commenters stated that the Department should clarify the 150 percent maximum timeframe requirement. One of the commenters noted that § 668.34(b) did not define maximum timeframe, as applied to programs that are a combination of credit and clock hours or a combination of undergraduate and graduate work. One of the commenters argued that the final regulations should*

reinforce the 150 percent maximum timeframe requirement for all programs. Another commenter stated that we should clarify that the 150 percent maximum timeframe only applies to determining title IV, HEA eligibility. This commenter suggested that this maximum timeframe should not be used for other purposes. For example, the commenter stated that it was not appropriate for the Government to determine whether or not a student should be allowed to complete a degree simply because title IV, HEA eligibility had run out. Another commenter asked whether the 150 percent maximum timeframe applied to the student's entire academic career or only to the student's current academic program. The commenter gave the example of a student who had one degree, and asked if an institution would include those earned credits when evaluating whether the student was progressing in his or her program within the maximum timeframe.

Discussion: The Department believes in allowing institutions the flexibility to define the 150 percent maximum timeframe in the most appropriate way for the program in question. In particular, individual institutions are in the best position to determine whether their combined programs, such as those noted by the commenters, should be evaluated as the sum of its parts (*i.e.,* part clock hour and part credit for example) or as one type of program based on the structure of the majority of the program.

The 150 percent maximum timeframe only applies to the student's eligibility to receive title IV, HEA aid. The Department has never regulated whether or not a student is able to continue on to degree completion under an institution's academic criteria. The Department also wishes to clarify that the 150 percent maximum timeframe applies only to the student's current program of study. Under these regulations, institutions retain flexibility to define their programs of study in their SAP policy, as well as how they will determine how previously taken coursework applies to the student's current program of study.

Changes: None.

Notification

Comment 26: *Several commenters requested clarification of the notification requirement in § 668.34(a)(11). Specifically, these commenters questioned whether this provision would require institutions to notify all students or only those who were not making SAP.*

Discussion: Proposed § 668.34(a)(11) only requires institutions to notify students of the results of their SAP evaluation if the results affect the student's eligibility to receive title IV, HEA aid. Institutions are not required to notify students who are making SAP of the results of the evaluation.

Changes: None.

34 CFR 668.34, Satisfactory academic progress

Notice of Proposed Rulemaking, *Federal Register*, 6/18/10, pp. 34820 to 34823

Final Rule, *Federal Register*, 10/29/10, pp. 66880 to 66887

Electronic Announcement – 6/6/11, Satisfactory Academic Progress Reviews for Students in Clock Hour Programs

2011–12 *Federal Student Aid Handbook*, Volume 1, Student Eligibility

ED Program Integrity Information – Questions and Answers, available at
http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/sap.html

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Satisfactory Academic Progress

Regulations and Suggested Policies/Procedures to Guide Development and Implementation at the Institutional Level

NASFAA 2011 Training for States and Regions Evaluation

NASFAA Training and Professional Development Committee appreciates your interest in its training activities. To help ensure that our efforts meet your needs, please complete the following questions and leave this form with your instructor.

Location of this training: _____ Date: _____

In responding to the questions that ask for a rating, please use the following scale:

5 = Excellent   4 = Very Good   3 = Good   2 = Fair   1 = Poor

I.   Please indicate the usefulness of information for your position/job.

Content of Training	5	4	3	2	1
Instructors' Presentation	5	4	3	2	1
Examples and Exercises	5	4	3	2	1
Group Discussion	5	4	3	2	1
Handouts	5	4	3	2	1
Overall Training	5	4	3	2	1

II. What features of the training and/or the materials did you find most useful? Select all that apply.

❑ Instructor's presentation   ❑ Examples   ❑ Exercises
❑ Group Discussion   ❑ Handouts

Other, please specify. _____

III. What features would have made the training and the materials more useful?

❑ Instructor's presentation   ❑ Examples   ❑ Exercises
❑ Group Discussion   ❑ Handouts

Other, please specify. _____

IV. If you feel that additional materials would have been helpful in the context of the training, please describe them.

_____

_____

V. Would you recommend this training to a colleague?   ❑ Yes   ❑ No

If no, why not? _____

VI. Please check the type of institution you represent. (Check *all* that apply)

❑ Public   ❑ Proprietary   ❑ Two-year

❑ Private   ❑ Graduate/Professional   ❑ Four-year

❑ Other: _____

VII. How many years of experience do you have as a financial aid administrator? (Check one)

❑ Less than 2 years

❑ 2 to 5 years

❑ More than 5 years

❑ More than 10 years

❑ More than 15 years

VIII. Have you previously attended any other NASFAA training?   ❑ Yes   ❑ No

IX. If you have ideas about other topics that should be the subject of future training, please list them.

_____

_____

X. Please use the space below for any other comments you would like to make.

_____

_____

_____

If you are unable to leave this form with an instructor, please complete it and mail or fax to:

Connie McCormick
National Association of Student Financial Aid Administrators
1101 Connecticut Avenue N.W., Suite 1100
Washington, D.C. 20036-4303
Fax: 202/785-1487

N·A·S·F·A·A
NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS