

Session 160

Experimental Sites Initiative (ESI)

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Experimental Sites Initiative (ESI)

- Authority under Section 487A(b) Higher Education Act of 1965, as amended
- Tests the effectiveness of statutory and regulatory flexibility for participating institutions disbursing Title IV student aid
- Provides waivers of specific statutory and/or regulatory requirements
- Intended to yield data that will inform decisions about changes to regulations and statute

Experiments Announced in 2011

- Federal Register Notice – 10/27/11
 - Pell Grants for Students with Bachelor's Degrees
 - Pell Grants for Short-Term Training Programs
- For both experiments, otherwise eligible students will be randomly selected to receive Pell Grants
- Still opportunity to participate - send e-mail to:
EXPERIMENTALSITES@ED.GOV

Pell Grants for Students with Bachelor's Degrees

Current Rules

- Generally, a student who has earned a bachelor's degree is not eligible for Pell Grant funds

Experiment

- An otherwise-eligible student who has a bachelor's degree, but is unemployed or under-employed, may be eligible for Pell Grant funds for enrollment in eligible vocational or career programs

Pell Grants for Students with Bachelor's Degrees Waivers

Law/Regulation	Description
HEA section 401(c)(1) and 34 CFR 668.32(c)(2)(i)(A)	Excludes students who have earned a bachelor's degree from receiving Pell Grant funding
34 CFR 690.6(a)	Limits eligibility for Pell Grants to students who have not earned their first bachelor's degree

Pell Grants for Students with Bachelor's Degrees

Experiment Requirements:

- Students must be otherwise eligible for Pell Grants and unemployed or under-employed
- Enrollment must be in a vocational or career program that leads to a credential awarded by your institution
- Program's length must be one-year or less, but meet normal minimum length requirements
- Student must be able to complete the program in no more than two years

Pell Grants for Short-Term Training Programs

Current Rules

- Students may be eligible for Pell Grant funds in an educational program if the program is:
 - At least 15 weeks of instructional time in duration; and
 - Includes at least 600 clock-hours, 16 semester hours, or 24 quarter hours

Experiment

- Students may be eligible for Pell Grants in short-term training programs if the program is:
 - At least 8 weeks of instructional time in duration; and
 - Includes at least 150 clock-hours, 4 semester hours, or 6 quarter hours

Pell Grants for Short-Term Training Programs

Waivers

Law/Regulation	Description
HEA section 481(b)(1)(A)	Sets the minimum timeframes for a Pell Grant eligible program
34 CFR 668.8(d)(1)(i) and (ii)	Establishes the timeframes for Title IV- eligible programs

Pell Grants for Short-Term Training Programs

Experiment requirements:

- Students must be otherwise eligible for Pell Grants
- Program must be least 8 weeks of instructional time in duration and include at least 150 clock-hours, 4 semester credit hours or 6 quarter credit hours
- Program must lead to a certificate, degree or credential awarded by your institution

Experiments Announced in 2014

- Federal Register Notice – 7/31/14
 - Prior Learning Assessment (PLA)
 - Limited Direct Assessment (LDA)
 - Competency-Based Education (CBE)
 - Federal Work-Study (FWS) for Near-Peer Counseling
- Still opportunity to participate - send e-mail to:
EXPERIMENTALSITES@ED.GOV

Prior Learning Assessment

Current Rules

- Costs for prior learning assessments may not be included in COA
- Time and effort spent preparing for prior learning assessments may not be included in a student's enrollment status

Experiment

- COA can include reasonable costs incurred by a student for assessments of prior learning
- Federal Pell Grant enrollment status may include up to three credit hours associated with a student's efforts to prepare materials for a prior learning assessment
 - Example: Preparing for a portfolio assessment

Prior Learning Assessment

Waivers

Law/Regulation	Description
HEA Section 472	Establishes types of expenses that may be considered when determining a student's financial need
34 CFR 668.2	Definition of enrollment status
34 CFR 600.2	Definition of "credit hour"
34 CFR 668.10(f)	Prohibition on the use of Title IV funds for PLA in direct assessment programs

Prior Learning Assessment

Experiment Requirements:

- The institution must include the cost of prior learning assessments in students' cost of attendance
- The institution must provide academic credit when a student successfully demonstrates prior learning through an assessment that is included in the experiment

Limited Direct Assessment

Current Rules

- Must use direct assessment for the entire direct assessment program, not a combination of direct assessment and traditional credit hours or clock-hours
- May not provide remedial coursework offered using direct assessment

Experiment

- Programs offering a combination of direct assessment and credit/clock hours are allowed
- An institution may include remedial coursework offered in credit hours or using direct assessment in a student's enrollment status

Limited Direct Assessment

Waivers

Law/Regulation	Description
HEA section 481(b)(4) and 34 668.10 (a)(1)	Requires that a direct assessment program use direct assessment for the entire program
34 CFR 668.10(g)(2)	Prohibits the payment of Title IV aid for remedial coursework offered using direct assessment

Limited Direct Assessment

Experiment Requirements:

- The institution must offer an approved direct assessment program including at least one course or competency that also uses credit or clock-hours

AND/OR

- The institution must offer at least one remedial course or competency using direct assessment

Competency-Based Education

- The Competency-Based Experiment provides three separate sets of waivers that institutions may choose from

1. Split Disbursement (July 2014 Federal Register)

2. Satisfactory Academic Progress ONLY (November 2015 Federal Register)

3. Subscription Period Disbursement (November 2015 Federal Register)

Competency-Based Education

Current Rules

- Disbursements for direct costs and indirect costs made at same time
- Disbursements for a term-based program are made each term
- Disbursements for a nonterm program are made when the student completes both 50% of credits and weeks in the academic year

Split Disbursement Waivers

- Disbursements for direct and indirect costs may occur at different times
- Disbursements may be made for direct costs when competencies have been mastered
- Disbursements for indirect costs must be made at regular intervals

Competency-Based Education

Current Rules

- Term program: Each term is a payment period
- Nonterm program: A payment period is the time it takes for the student to complete 50% of the credits in the academic year and 50% of the weeks in the academic year

Split Disbursement Waivers

- Two types of payment periods: direct cost payment periods and indirect cost payment periods
- Payment periods are no more than 25% of the defined Title IV academic year component

Competency-Based Education

Current Rules

- Must check a student's satisfactory academic progress once annually but can check more often
- Quantitative evaluation determines whether a student is on pace to complete within 150% of normal time, and is calculated by dividing credits completed over credits attempted

Split Disbursement Waivers

- Must check a student's satisfactory academic progress in a CBE program at least once when the student finishes the weeks in the program's Title IV academic year, but can check more often
- Quantitative evaluation is whether student is on pace to complete the program within 150% of the normal time over a given calendar period

Competency-Based Education

Current Rules

- R2T4 calculation is required if a student withdraws during the payment period

Split Disbursement Waivers

- R2T4 calculations are not required for CBE programs included in the experiment
- Institutions must pay grant funds or notify students of loan funds that could have been disbursed as of the withdrawal date

Competency-Based Education

Waivers (Split Disbursement)

Law/Regulation	Description
34 CFR 668.4(c)	Definition of a payment period
34 CFR 690.63(e)(2)	Calculation of a Federal Pell Grant for a payment period
34 CFR 685.303 (e)(2) and (3)	Annual loan limits for Direct Loans

Competency-Based Education

Waivers (Split Disbursement)

Law/Regulation	Description
34 CFR 674.16(b)(3), 34 CFR 676.16(a)(3), 34 CFR 686.33(a), 34 CFR 690.76(a)	Requirements for frequency of disbursements for grants and Perkins Loans
HEA Section 428G(a)(2) and 34 CFR 685.303(d)(3)(ii)(B)	Requirements for determining disbursement dates for Direct Loans
HEA section 484 B and 34 CFR 668.22 [NOT exempt from 34 CFR 668.22(a)(2) and 34 CFR 668.22(a)(6)]	Treatment of Title IV funds when a student withdraws

Competency-Based Education

Waivers (Split Disbursement)

Law/Regulation	Description
HEA Section 484 (c) and 34 CFR 668.34 (a)(3)(ii),(a)(5)(ii), and (b)	Requirements for satisfactory academic progress evaluations

Competency-Based Education

Current Rules

- Must check a student's satisfactory academic progress once annually but can check more often
- Quantitative evaluation determines whether a student is on pace to complete within 150% of normal time, and is calculated by dividing credits completed over credits attempted

SAP Waivers Only

- Must check a student's satisfactory academic progress in a CBE program at least once when the student finishes the weeks in the program's Title IV academic year, but can check more often
- Quantitative evaluation is whether student is on pace to complete the program within 150% of the normal time over a given calendar period

Competency-Based Education

Waivers (SAP Waivers Only)

Law/Regulation	Description
HEA Section 484 (c) and 34 CFR 668.34 (a)(3)(ii),(a)(5)(ii), and (b)	Requirements for satisfactory academic progress evaluations

Competency-Based Education

Current Rules

- All classes in a term must begin and end within the established term dates
- Enrollment status for a term determined using all the classes in which a student enrolls during that term

Subscription Period Waivers

- Subscription periods are considered standard or nonstandard "terms"
- Competencies in a term may begin before the term begins
- A student's enrollment status is determined using all the competencies a student is expected to complete during the term

Competency-Based Education

Current Rules

- Disbursements for a term-based program are made each term
- Direct Loan disbursements must be made in "substantially equal" allotments

Subscription Period Waivers

- Disbursements are made each subscription period in accordance with rules for disbursement for the type of term the institution uses (standard and nonstandard)
- Direct Loan disbursements are prorated based on length of payment period in the same way as Pell or TEACH Grants

Competency-Based Education

Current Rules

- Must check once annually but can check more often
- Quantitative evaluation determines whether a student is on pace to complete within 150% of normal time, and is calculated by dividing credits completed over credits attempted

Subscription Period Waivers

- Must check satisfactory academic progress at least once each term
- Each evaluation must include a review of the student's progress:
 - cumulatively
 - within the prior term
- Quantitative evaluation is whether student is on pace to complete the program within 150% of normal time

Competency-Based Education

Waivers (Subscription Period Disbursement)

Law/Regulation	Description
34 CFR 668.4(a) and (b)	Definition of a standard or nonstandard term payment period
HEA Section 484 (c) and 34 CFR 668.34 (a)(3)(ii),(a)(5)(ii), and (b)	Requirements for satisfactory academic progress evaluations
34 CFR 685.303(d)(5)	Proration of Direct Loans based on length of payment period
34 CFR 690.80(b)(2)(i)	Calculation of enrollment status for Pell Grants

Competency-Based Education

Experiment requirements:

- The institution must provide at least one program which is offered through competency-based education for at least one academic year
- Competency-based education programs included in the experiment must be approved or recognized by an accrediting agency as a competency-based education program

Federal Work-Study

Current Rules

- Except under limited circumstances, the Federal share of compensation paid to students employed under the FWS Program may not exceed 75%

Experiment

- The “matching” share of the FWS compensation will be reduced or eliminated for near-peer counselors, allowing 100% of Federal funds to provide FWS compensation to those students

Federal Work-Study

Waivers

Law/Regulation	Description
HEA section 443(b)(5) and 34 CFR 675.26 (a)	Requirement that the Federal share of compensation paid to a FWS student may not exceed 75 percent

Federal Work-Study

Experiment requirements:

- Students must be otherwise eligible for FWS
- The institution must provide FWS compensation to students for work as near-peer counselors
- The institution must ensure that near-peer counselors are knowledgeable and either experienced in or trained in relevant counseling techniques
- Activities, information, and initiatives must be targeted to the needs of high school students

Experiments Announced in 2015

The Department is not considering new applications at this time

- Second Chance Pell
 - Federal Register Notice – 8/3/15
- Educational Quality through Innovative Partnerships (EQUIP)
 - Federal Register Notice – 10/15/15
- Dual Enrollment
 - Federal Register Notice – 11/3/15

Evaluation and Reporting

The Department's evaluation of the experiments will include:

Information Type	Possible Data Sources
Institution	<ul style="list-style-type: none">▪ Integrated Postsecondary Education Data System (IPEDS)▪ Institutional Experimental Site Survey and Narrative Descriptions▪ Common Origination and Disbursement (COD)▪ National Student Loan Data System (NSLDS)
Program(s)	<ul style="list-style-type: none">▪ Institutional Experimental Site Survey and Narrative Descriptions
Students	<ul style="list-style-type: none">▪ Institutional Student Information Record (ISIR) Data▪ Common Origination and Disbursement (COD)▪ National Student Loan Data System (NSLDS)▪ Institutional Experimental Site Survey and Narrative Descriptions

How to Apply

Federal Register

- **ESI Website: ExperimentalSites.ed.gov**

Submit Letter of Interest

- **E-mail: EXPERIMENTALSITES@ED.GOV**

Selection Process

Review and Screening

Past Compliance

Cross Section of
Institutions



Institution participates if...

ED sends invitation to
participate from
EXPERIMENTALSITES@ED.GOV

Institution accepts
invitation

Institution and ED sign
amended PPA

Experimental Sites Initiative Website

<https://experimentalsites.ed.gov>



Taped Webinars Available

<https://experimentalsites.ed.gov>



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QUESTIONS?

