

# SESSION #22

## Maintaining Your Institutional Eligibility

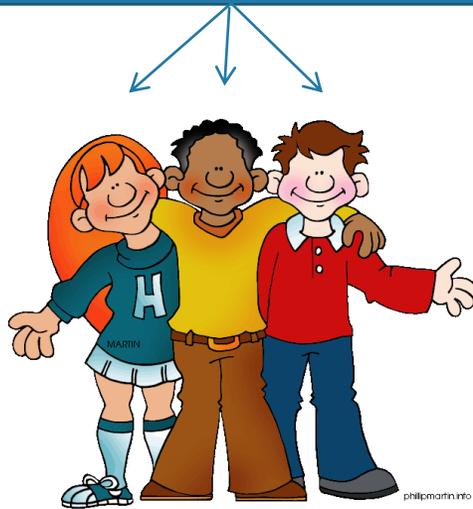
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U.S. Department of Education

2020 Virtual FSA Training Conference for Financial Aid Professionals

*December 2020*

School A  
Eligible for  
Financial Aid



These students may get financial aid **IF** they are eligible

School B  
Not Eligible for  
Financial Aid



These students **CANNOT** get financial aid even if they are eligible

# AGENDA

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- 01 Eligibility and Certification
- 02 The Basics of the E-App, PPA, and ECAR
- 03 Updating the Application
- 04 Recertification
- 05 Common Mistakes



## Eligibility and Certification

# ELIGIBILITY AND CERTIFICATION

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Per *34 CFR Part 600 Institutional Eligibility*, a school must:

- Be legally authorized by a state as a postsecondary school
- Be accredited
- Provide an eligible program
- Admit as regular students only individuals with a high school diploma or its recognized equivalent or individuals beyond the age of compulsory school attendance in the state where the school is located

# ELIGIBILITY AND CERTIFICATION

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Per *34 CFR Part 600 Institutional Eligibility*, a school must:

- Provide no more than 50% of its courses by correspondence
- Have less than 50% of its regular students attend by correspondence
- Have no more than 25% of its regular students be incarcerated
- Have no bankruptcy, crime with *Title IV*, or fraud by school or owner

# ELIGIBILITY AND CERTIFICATION

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## Types of Certification for Participation in *Title IV*

- Full certification
  - 4 – 6 years
  - Self-certification options
- Provisional certification
  - 1 – 3 years
  - Conditional provisions



# The Basics: The E-App, PPA, and ECAR

# THE BASICS

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- What is an E-App?
- What is a PPA?
- What is the ECAR?

# THE BASICS

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## The Electronic Application (E-App)

- The Application for Approval to Participate in the Federal Student Financial Aid Programs
- Located at [eligcert.ed.gov](http://eligcert.ed.gov)
- Used to apply for recertification
- Used to report all types of changes regarding school eligibility, including change of officials, additional locations, and educational program updates

# THE BASICS

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## The Program Participation Agreement (PPA)

- It is required for certified/participating schools
- A contract between the school and ED which outlines the regulations that the school is required to follow
- Signed by both the school and ED
- Effective when signed by ED; void as of the new PPA date
- Kept on file by the school, along with a copy of the most recent Eligibility and Certification Approval Report

*(unsigned current version is accessible for viewing/printing at [eligcert.ed.gov](http://eligcert.ed.gov))*

# THE BASICS

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## The Eligibility and Certification Approval Report (ECAR)

- A snapshot of the school's participation, programs, location, officials, etc.
- A current copy of the ECAR must be kept on file by the school

*(current approved version is accessible for viewing/printing at [eligcert.ed.gov](http://eligcert.ed.gov))*



# Updating the Application: Acknowledgements

# UPDATING THE APPLICATION

## Acknowledgements

- Report within 10 days of the change
- No need to wait for approval

# UPDATING THE APPLICATION

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## Acknowledgements

- Change to the name of the school
- Change of address for main or additional location
- Closure of a previously approved location
- Change from/to clock-hours or credit-hours
- Decrease in the level of educational programs
- Change of educational program name, CIP Code, or credential level
- Discontinuation of educational program for 12 months

# UPDATING THE APPLICATION

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## Acknowledgements

- Change to reported President
- Change to reported Chief Financial Officer
- Change to reported Financial Aid Director
- New person/entity acquires 25% or greater ownership without a change in control
- Change in members of Board of Directors

# UPDATING THE APPLICATION

## Acknowledgements

- Change of third-party servicer
- New or significantly modified contract with a third-party servicer
- Termination of a contract with a third-party servicer
- Third-party servicer under contract goes out of business or files bankruptcy



# Updating the Application: Approvals

# UPDATING THE APPLICATION

## Approvals

- Change in ownership resulting in a change in control
- Change in accreditor



# Updating the Application - Approval: New Locations

# UPDATING THE APPLICATION

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## New Locations

- ECAR lists the main location and approved additional locations
- Eligibility does not automatically extend to separate locations and extensions

# UPDATING THE APPLICATION

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## New Locations

- If 50% or more of an educational program is offered at a new location, the school must report the location to ED
- In some cases, the school must wait for ED's approval
- If not required to wait for approval, schools must receive both the required state/foreign government and accrediting agency approvals, and report the location to ED before disbursing *Title IV* funds to enrolled students

# UPDATING THE APPLICATION

## New Locations

- School must wait for approval before disbursing *Title IV* funds if the school is:
  - Provisionally certified
  - On cash monitoring or reimbursement
  - Acquiring the assets of another school
  - Subject to a loss of eligibility under 668.188 (default rates), or
  - Required by ED to receive approval before disbursing *Title IV* funds

# UPDATING THE APPLICATION

## New Locations

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

# UPDATING THE APPLICATION

## New Locations

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

# UPDATING THE APPLICATION

## New Locations

- Location Eligibility Requirements:
  - Accreditor and state/foreign government approval is appropriate
  - Street address is provided
  - If located at the site of a formerly eligible location, meets all requirements to become an eligible location of another school
  - If located at the site of a currently eligible location, any established relationship between the two schools is reported
  - If the location is changing affiliation, ED has been notified to change the funds delivery



# Updating the Application - Approval: New Educational Programs

# UPDATING THE APPLICATION

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## New Educational Programs

- ECAR lists the eligible program levels
- ECAR lists the eligible programs approved by ED
- In some cases
  - the school must report and obtain approval before disbursing funds to enrolled students
  - the school must report new programs
- In other cases
  - schools may make a self-determination of program eligibility and the program will not appear on the ECAR

# UPDATING THE APPLICATION

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## New Educational Programs

The school must submit an E-App reporting the new educational program(s) and obtain approval before disbursing funds if:

- The school is provisionally certified
- The school is receiving funds under reimbursement or another cash monitoring payment method
- The school's PPA says approval is required before adding educational programs
- The school is in its initial period of participation and subject to the two-year rule

# UPDATING THE APPLICATION

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## New Educational Programs

The school must submit an E-App reporting the new educational program(s) and obtain approval before disbursing funds if:

- The program is a short-term program that does not admit as regular students only persons who have completed the equivalent of an associate degree
- The program is measured by direct assessment
- The program is a comprehensive transition and postsecondary program for students with intellectual disabilities

# UPDATING THE APPLICATION

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## New Educational Programs

The school must submit an E-App within 10 days for any program(s) required to prepare a student for gainful employment in a recognized occupation, if it is not required to receive approval

- The eligibility of these programs will be reviewed prior to the program being added to the ECAR as an eligible program

# UPDATING THE APPLICATION

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## New Educational Programs

If the school/program does not meet the criteria for required reporting, the school may make a self-determination of eligibility for new educational program(s), and then disburse funds to students without obtaining ED approval

- School must receive state and accrediting agency approvals, and confirm the program meets any other requirements
- Schools are encouraged to report programs for which they have made a self-determination, during recertification or sooner
- If reported, the eligibility of these programs will be reviewed prior to the program being added to the ECAR as an eligible program

# UPDATING THE APPLICATION

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## New Educational Programs

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

# UPDATING THE APPLICATION

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## New Educational Programs

- Program Eligibility Requirements:
  - Accreditor and state approval matches E-App (name and program length)
  - Classification of Instructional Programs (CIP) Code from 2020 CIP list and consistent with name of program
  - Leads to a recognized occupation (Standard Occupational Classification or SOC code) where required
  - Meets minimum weeks and clock or credit hours

# UPDATING THE APPLICATION

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## New Educational Programs

- Program Eligibility Requirements (cont'd):
  - Meets clock to credit conversion where required
  - Does not exceed by more than 50% the minimum number of clock-hours established by the state for training in the occupation for which the program prepares students
  - Programs, which are required by the state to be based on clock-hours, can now allow aid to be calculated based on credit hours, if the school chooses

# UPDATING THE APPLICATION

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## New Educational Programs

- Program Eligibility Requirements (cont'd):
  - Meets special requirements if Direct Assessment Program
  - Meets special requirements if Comprehensive Transition and Postsecondary (CTP) Program (See DCL GEN-11-01), and uses new 2020 CIP Code 30.0001

# UPDATING THE APPLICATION

## Finalizing the Update

School must submit to ED:

- Accrediting agency and state/foreign government authorization approvals for changes or additions
- Any documentation required in section M
- Section L of the E-App containing a manually drawn signature of the appropriate school official, either by:
  1. pasting a scan of their signature on the document
  2. digitally signing using a mouse or finger, or
  3. printing, signing, and scanning the document. Font-based signatures and certificate-based signatures are not authorized for use.

# UPDATING THE APPLICATION

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## Finalizing the Update

Documents should be uploaded per Electronic Announcement dated August 14, 2020 – New Document Center for Program Compliance Documents



# Recertification

# RECERTIFICATION

## Application time frames and deadlines

- All participating schools must go through recertification
- Prior to the Program Participation Agreement (PPA) expiration date

### PROGRAM PARTICIPATION AGREEMENT

Effective Date of Approval:

The date on which this Agreement is signed on behalf of the Secretary of Education

Approval Expiration Date:

**March 31, 2021**



Reapplication Date:

**December 31, 2020**

# RECERTIFICATION

## Application time frames and deadlines

- The Recertification E-App should be submitted by the “Reapplication date” on your PPA

### PROGRAM PARTICIPATION AGREEMENT

Effective Date of Approval:

The date on which this Agreement is signed on behalf of the Secretary of Education

Approval Expiration Date:

**March 31, 2021**

Reapplication Date:

**December 31, 2020**



# RECERTIFICATION

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## Application time frames and deadlines

- As long as the E-App is submitted before the Reapplication Date, the PPA will automatically be extended month-to-month until the review of your application is completed by an Eligibility Analyst

For more information, see the 2019-20 *FSA Handbook, Volume 2 School Eligibility and Operations*, Chapter 5, *Updating Application information*.

# RECERTIFICATION

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Preparing – What you need to have ready:

- Your OPE ID number and TIN/EIN number in order to log-in
- The most recent copy of accreditation documents (both approval letter and list of approved programs, if applicable)
- The most recent copy of state authorization documents (both approval letter and list of approved programs, if applicable)

# RECERTIFICATION

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Preparing – What you should review in advance:

- CIP codes for your educational programs – Ensure they are up-to-date using the 2020 CIP Codes
- Policies and Procedures – Ensure they are complete and reflect actual practices
- Consumer Information – Ensure all information is available. See the *Consumer Information Disclosures at a Glance* document for assistance: <https://ifap.ed.gov/fsa-assessments/03-07-2019-consumer-information>

# RECERTIFICATION



START HERE  
GO FURTHER  
FEDERAL STUDENT AID

**E-App Features**

- Use the [E-App](#) to recertify or update information
- After you finish your application, you must [submit](#) it to ED
- [Check Status](#) of Application
- [Display](#) your Application
- [Display](#) your PPA/ECAR
- Information for [Initial Applicants](#)
- How to [customize your mailing address](#) for Federal Student Aid publications
- [Display a list](#) of the most common changes a school must report

**Other Features**

- Update your [Federal School Code Addresses](#) which are used by the FAFSA
- Instructions for assigning a new [Direct Loan E-Code](#) or deactivating an existing Direct Loan Code

**Resources**

- [Application in PDF](#)

Website: [Eligcert.ed.gov](http://Eligcert.ed.gov)

[Schools Portal](#) | [Feedback](#) | [Privacy](#)

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

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

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

**HELP FROM YOUR SCHOOL PARTICIPATION DIVISION**

For help with the Web site, your user ID or password, or in filling out the E-App, please contact the School Participation Division for your state.

**FEDERAL STUDENT AID SCHOOL PARTICIPATION DIVISIONS**

<b>Boston</b> (CT, ME, MA, NH, RI, VT) 617-289-0133	<b>Dallas</b> (AR, LA, NM, OK, TX) 214-661-9490
<b>Philadelphia</b> (DC, DE, MD, PA, VA, WV) 215-656-6442	<b>Kansas City</b> (IA, KS, KY, MO, NE, TN) 816-268-0410
<b>Atlanta</b> (AL, FL, GA, MS, NC, SC) 404-871-8888	<b>San Francisco/Seattle</b> (AZ, CA, HI, NV, Pacific, AK, ID, IN, OR, WA)

# RECERTIFICATION

Windows Security

iexplore

The server eligcert.ed.gov is asking for your user name and password.

That server also reports: "EAPP Login".

User name

Password

Remember my credentials

OK Cancel

User Name: EDxxxxxxxx  
(x's represent your 8 digit OPE ID)

Password: EDxxxxxxxx  
(x's represent your 9 digit TIN/EIN number)

# RECERTIFICATION

[eligcert.ed.gov/ows-doc/help.htm](http://eligcert.ed.gov/ows-doc/help.htm)

## Application for Approval to Participate in Federal Student Financial Aid Programs

*U.S. Department of Education, Federal Student Aid, Program Compliance, School Eligibility Service Group, School Participation Management*

### Help

[General Instructions](#)

[U.S. Department of Education Contacts](#)

[Section A](#)

[Section B](#)

[Section C](#)

[Section D](#)

[Section E](#)

[Section F](#)

[Section G](#)

[Section H](#)

[Section I](#)

[Section J](#)

[Section K](#)

[Section L](#)

[Section M](#)

[Submitting the Application](#)

[Status](#)

# RECERTIFICATION

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## Documents to submit for recertification

- The most recent copy of accreditation documents (both approval letter and list of approved programs, if applicable)
- The most recent copy of state authorization documents (both approval letter and list of approved programs, if applicable)
- Copies of the following policies may be requested in advance:
  - Admissions
  - Satisfactory Academic Progress
  - Return of *Title IV* Funds

# RECERTIFICATION

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## Documents to submit for recertification

- Section L of the E-App containing a manually drawn signature of the appropriate school official, either by:
  1. pasting a scan of their signature on the document
  2. digitally signing using a mouse or finger, or
  3. printing, signing, and scanning the document. Font-based signatures and certificate-based signatures are not authorized for use.
- Section M if a proprietary school
- IRS Form 501(c)(3) if a private nonprofit school

# RECERTIFICATION

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## Documents to submit for recertification

Documents should be uploaded per Electronic Announcement dated August 14, 2020 – New Document Center for Program Compliance Documents

# RECERTIFICATION

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Wrapping up the recertification application process

After your recertification application has been reviewed and your PPA prepared, you will receive an email with next steps:

- You have 30 days to sign and return your new PPA to ED
  1. The PPA must have a manually drawn signature of the appropriate school official, either by pasting a scan of their signature on the document
  2. digitally signing using a mouse or finger, or
  3. printing, signing, and scanning the document. Font-based signatures and certificate-based signatures are not authorized for use.
- The signed PPA is returned via the Document Center on the Common Origination and Disbursement (COD) website

# RECERTIFICATION

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## Wrapping up the recertification application process

- You'll receive a copy of the PPA back, countersigned by ED. The countersigned PPA must be kept on file with a copy of the most recent ECAR
- Mark the Expiration Date and Reapplication Deadline on your calendar
- Note whether your school is fully certified or provisionally certified to participate (and if provisional, note the conditions)



# Avoiding Common Mistakes

# AVOIDING COMMON MISTAKES

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## To Avoid Common Mistakes

- If reporting more than one update on the E-App, check a box for EACH purpose
- If updates are reported on a Recertification Application, select only Recertification as the purpose
- When in doubt, ask your School Participation Division (SPD)

# AVOIDING COMMON MISTAKES

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## To Avoid Common Mistakes

- Do not type over names of officials in Section A
  - Before replacing an official, check the radio button to indicate a change, then enter the new official
- Ensure that the phone numbers for officials are direct lines and not main numbers
- Do not type over Board Member names in Section C
  - When changing Board Members, enter an 'end date' for each individual leaving, then add any new Board Members on a new line

# AVOIDING COMMON MISTAKES

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## To Avoid Common Mistakes

- Check all sections and include all updates
- Provide Emergency Contact Information for your school in Section K, Question #69
  - Include the words “Emergency Contact”
  - Provide alternate/emergency contact information for your Financial Aid Director reported in Section A, Question 12
  - Provide emergency contact information for another official
  - Contact Information: Personal Cell Phone and E-Mail

# AVOIDING COMMON MISTAKES

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## To Avoid Common Mistakes

- Don't forget to click "SUBMIT"
- Don't forget to submit the signed signature page
- Don't forget to submit state/foreign government and accreditation approval letters with a list of approved programs (if applicable)

# SCHOOL ELIGIBILITY AND OVERSIGHT SERVICE GROUP (SEOSG)

Nancy Gifford – Acting Director, School Eligibility and Oversight Service Group  
215-656-6436

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

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

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

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

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

**Betty Coughlin, Division Chief** 646-428-3737

**Chris Curry – New York** 646-428-3738

**Jennifer Uhlir – Boston** 617-289-0121

**Teresa Martinez – New York** 646-428-3748

## **Philadelphia School Participation Division**

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

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

**Sherrie Bell, Acting Division Chief** 202-377-3349

**Bronsdon Thompson – Philadelphia** 202-377-3747

## **Multi-Regional and Foreign School Participation Division**

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

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

**Michael Frola, Division Chief** 202-377-3364

**Mark Busskohl – Washington, DC** 202-377-4572

**Michelle Allred – Dallas** 214-661-9466

**Julie Arthur – Seattle** 206-615-2232

**David Garza – Dallas** 214-661-9694

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

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

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

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

**Vanessa Dillard – Atlanta** 404-974-9418

**Vinita Simpson – Atlanta** 404-974-9260

## **Dallas School Participation Division**

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

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

**Cynthia Thornton, Division Chief** 214-661-9457

**Jesus Moya – Dallas** 214-661-9472

**Kim Peeler – Dallas** 214-661-9471

## **Kansas City School Participation and Third-Party Services Division**

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

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

[FSAPC3rdpartyserviceroversight@ed.gov](mailto:FSAPC3rdpartyserviceroversight@ed.gov)

**Dvak Corwin, Division Chief** 816-268-0420

**Angie Beam – Kansas City** 816-268-0534

**Kathy Feith – Kansas City** 816-268-0406

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

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

E-mail Mailbox: [Chicago.Denver.SPD@ed.gov](mailto:Chicago.Denver.SPD@ed.gov)

**Jeremy Early, Division Chief** 312-730-1529

**Jason Charlton – Chicago** 312-730-1695

**Tammi Sawyer – Chicago** 312-730-1531

**Brenda Yette - Chicago** 312-730-1522

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

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

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

**Martina Fernandez-Rosario, Division Chief**

**415-486-5605**

**Erik Fosker – San Francisco** 415-486-5606

**Kim Meadows – Washington, DC** 202-377-3058