



Eligibility and certification approval report (ECAR) Updates





Agenda

- What are the PPA, E-APP and ECAR
- What areas need updates
- Documentation for each area updated
- SPC process flow example



The Big 3: PPA, E-App, ECAR

- **PPA – Program Participation Agreement**
 - Required for schools to participate in Federal Student Aid programs;
 - Covers up to 6 years
- **E-App – Electronic Application for Approval to Participate in the Federal Student Aid Programs**
 - The electronic application process
- **ECAR – Eligibility and Certification Approval Record**
 - Shows school specifics approved by ED
 - Updatable via the E-App



Eligibility References

- Code of Federal Regulations (CFR)
 - 600.2 – Definitions
 - 600.10 – Extent of Eligibility
 - 600.20 – Application Procedures
 - 600.21 – Update Application Information
 - 668.8 – Eligible Program
 - 668.10 – Direct Assessment
 - 668.14 – Program Participation Agreement (PPA)
 - 668.230 – 668.233 – Comprehensive Transition and Postsecondary Program
- *Federal Student Aid Handbook*, Volume 2, Chapter 5



Reporting Changes – Two Categories

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



Report and Wait

Changes that **require** ED approval:

- Increase in the level of educational programs beyond the scope of current approval
- Adding programs in some circumstances
- Adding locations in some circumstances
- Change in ownership resulting in a change in control



Report and Go

Changes that **do not require** ED approval but must be reported:

- Change to the name of the institution or location
- Address change for main or additional location
- Change from or to clock-hours or credit-hours
- Decrease in the level of educational programs
- Change to the institution's third-party servicers
- Adding programs in some circumstances
- Adding locations in some circumstances
- Change to reported Financial Aid Director



New Locations

- Approval needed if teaching 50% or more of an academic program at any physical site and want federal aid eligibility for students in that program
- Approval of new location by your accrediting agency is required
- Notification is then needed to the Dept. of ED via the E-App
- Once notification of the site is sent to ED and supporting paperwork is mailed, you may begin issuing aid to students at the site *unless...*



New Locations – restricted if...

- The school is :
 - provisionally certified
 - on cash monitoring or reimbursement system of payment
 - has acquired assets of a closed school
 - would be subject to a loss of eligibility under the cohort default rate regulations
 - was previously notified by ED that it must apply for approval of sites



New Locations

- Not required to satisfy the “two-year rule” for new proprietary or vocational schools unless
 - The location was a facility of another school that closed
 - The applicant school acquired the assets of the closed school; and
 - The school from which the applicant school acquired the assets is not making payments with an agreement for liability



Changes to locations, branches or campus

- Changes may include new names, addresses, or zip code updates
- Current information is needed for all locations for which the university is approved to offer 50% or more of an educational program on-site and are aid eligible



New Academic Programs

- Must apply for permission to offer new levels of academic programs (example: adding your first graduate level program)
- Once an academic level is approved, no new degrees or majors within that level have to be reported
- Must specifically have approval for all certificate programs your institution offers for which you want aid eligibility



Adding Programs – School Self-Determination of Eligibility

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

1. The added program leads to an associate, bachelor's, professional, or graduate degree, the school has already been approved to offer programs at that level, and the school's PPA does not require approval of the program,
OR



Adding Programs – School Self-Determination of Eligibility

2. A fully certified school adds a program that is at least:
 - 10-weeks (of instructional time) in length
 AND
 - 8 semester hours,
 - 12 quarter hours, or
 - 600 clock hours
 AND that



Adding Programs – School Self-Determination of Eligibility

- Prepares students for gainful employment in the same or related recognized occupation as an educational program that the Department already has designated as an eligible program at the school
- "Recognized Occupation" as defined in 34 CFR 600.2, dated October 29, 2010



Adding Programs – School Self-Determination of Eligibility

If a school makes such a determination

- It must have received the required state and accrediting agency approvals before making the decision
- It must include the “self-certified” program on the next recertification E-App, or may report the program sooner
- It is liable for FSA funds disbursed if self-determination is found to be incorrect



Adding Programs – ED Approval Required

ED approval is required for addition of:

- Any program under 600 clock-hours, regardless of school's eligibility (short term program)
- Any program added by a provisionally certified school (per PPA)
- Non-degree program at fully certified school in a program of study different or unrelated to already eligible programs
- A Direct Assessment Program
- A Comprehensive Transition and Postsecondary (CTP) Program



Adding Programs - MISC

- 2 year rule in affect during initial period of participation
- If a approval required must wait for approval before disbursing aid
- If a approval not required you are responsible for aid if later on denied.
- Be sure to have accreditor and state approval's prior to submitting and that on all documents the CIP code, name, and program length match.



Teach-outs of a Closed School

- A school that conducts a teach-out can apply to have a closed school designated as an approved additional site of theirs
- The closed site must first be approved as an additional location by the assuming school's accrediting agency



Changes to Third-Party Servicers

- New contracts with new servicers
- Modified contracts with existing servicers
- Termination of contracts already existing
- If a third-party servicer ceases to provide contracted services, goes out of business, or files for bankruptcy
- Only submit a copy of the service contract if requested to do so by ED



Loss or Change of Accreditation

- 10-day notification window
- Must notify ED when school begins the accreditation application process with a different agency
- Must also notify ED when the process is complete
- Only after ED approves the change should the school drop its association with its prior accreditor



Change in Ownership

- Key component regards whether or not there was a change in control
- This happens when a person or corporation obtains new authority to control a school's actions
- Submission of an E-App update must be made within 10 days
- Detailed information is available in *FSA Handbook* pages 2-84 to 2-90



School Closing or Bankruptcy

- Notification to the US Department of Education is necessary within 10 calendar days of either event
- "A letter on the school's letterhead" is needed that "indicates the date the school closed or plans to close, or the date the school filed for bankruptcy" – *FSA Handbook* p. 2-91



Other Misc. Changes

- Change to address for FSA mailings to an address different than the legal street address
- Change to address for FSA mailings to an additional location that is different than the legal street address
- Change of taxpayer identification number (TIN)
- Change of DUNS number
- Reporting foreign gifts
- Change to institution's website address



Other Misc. Changes

- Change in board members
- Change of phone/fax/email of CEO, president, or chancellor
- Change of phone/fax/email of CFO
- Change of phone/fax/email of financial aid administrator



Communication Flow

- It is critically important that you maintain a strong communication flow with your President's Office, curriculum offices, Registrar, and other student services offices regarding this information
 - Communication is two way and you should be notified of any changes to key areas of the PPA by these offices
 - Develop workflow to ensure this occurs
 - Have to convince others that the PPA is not just an FA thing



Preparing for an E-App Update

- Check with key staff on campus to confirm all changes or updates that are needed.
- Prepare your printed materials beforehand so you know all the updates that need to take place and are ready to submit the documents right after making the electronic application
- Confirm the availability of your President/CEO to sign the required Signature Page to be included with your documentation



Documentation

- Make a cover page on institutional letterhead that lists each of the changes or updates that you will be submitting
- Each change should be individually labeled
- Below that should be a list of each required documentation item, also individually labeled



Documentation

- Common supporting documentation of general eligibility includes:
 - Documents affirming each change being requested
 - Confirmation of state license status
 - Current Statement of Affiliated Status issued by your accrediting agency
 - Documentation of your University's 501(c)(3) designation (if nonprofit)



Documentation: Locations

- New Locations
 - Include a copy of your accrediting agency's approval of the site(s)
 - Noting the county the new site is located in as well as their Zip+4 address will be helpful when completing your E-App
- Location updates
 - Have a page that explicitly lists the location's information as seen on your last ECAR and note specifically what has changed



Documentation: Academic Programs

- If your new academic program or degree level has been approved by your accrediting agency, include a copy of that approval



Documentation: Academic Programs

- Also include a page listing the base info that is necessary for ED to certify any new academic program for eligibility including:
 - CIP Code
 - Program name
 - Description
 - Application
 - Credit hours
 - Type of Credits
 - Clock hours (for certificate programs)
 - Duration of weeks
 - Justification for the program
 - Potential Employment outlook
 - Initial enrollment projections



Documentation: Third-party Servicers

- Clearly list the third-party servicer's corporate information including company name and Zip+4 address
- Also identify a primary contact by name, title, phone number and email address
- Be prepared to explain the type of services provided (a drop down list is on the E-App)
- Contracts do *not* need to be submitted unless later requested by ED



Documentation: Accreditation

- A copy of the initial application for accreditation should be supplied if moving towards using a new entity
- Copies of communications from the accrediting body that indicate loss of accreditation for the institution



Documentation: Teach-outs

- A copy of the contractual agreement being used for teach-out arrangements should be provided
- Information relative to the former institution, the number of students, academic programs being taught and anticipated length of the teach-out are recommended



Documentation: Change in ownership

- Note: "If a school undergoes a change in ownership, the school's chief financial aid administrator and its chief administrator (or a high-level school official designated by the chief administrator) must attend *Fundamentals of Title IV Training*."
- If the individuals in these roles have not changed, the school may apply for a waiver of the training requirement. ED may grant or deny the request.



Documentation: Miscellaneous

- Board Members
 - Without a clear notification agreement made between the chief financial aid administrator and the CEO/President's Office, these can be missed
- Memo from CEO identifying names and dates of changes to the Board is good documentation
- Identify new CEO/President, new Chief Financial Officer and/or new Chief Financial Aid Administrator within 10 calendar days of their employment



Submitting an E-App

- Go to <http://eligcert.ed.gov/>
- First choice in the top left corner
 - Use the **E-App** to recertify or update information
- The Section Index pulls up
- Select Section A, Questions 1-9 link to start
- The Username is your school's full Federal School Code (ex: ED00182200)
- Password is likely your school's Taxpayer ID Number (ex: ED123456789)



HELP FROM YOUR SCHOOL PARTICIPATION DIVISIONS

1. Administrative 2. Academic 3. Financial Aid 4. Health Services 5. Legal Services 6. Physical Education 7. Student Activities 8. Student Government 9. Student Organizations 10. Student Services 11. Student Support Services 12. Student Transportation 13. Student Union 14. Student Wellness 15. Student Work-Study 16. Student Workforce 17. Student Workforce Development 18. Student Workforce Training 19. Student Workforce Support 20. Student Workforce Development Support	21. Student Workforce Development Support 22. Student Workforce Development Support 23. Student Workforce Development Support 24. Student Workforce Development Support 25. Student Workforce Development Support 26. Student Workforce Development Support 27. Student Workforce Development Support 28. Student Workforce Development Support 29. Student Workforce Development Support 30. Student Workforce Development Support
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Return Policy



- 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** (Note: If the PDF comes up blank, please click the Refresh button twice. (This is a known bug with this Web browser.)
- **Federal Student Aid Handbook** (See Institutional Eligibility, Vol. 2 for more information on eligibility and updating requirements.)
- **Federal Student Aid Handbook for Foreign Schools**
- **esd.html** Submit Financial Statements and Compliance Audits



Submitting an E-App: Section A

- After logging in, answer question #1 indicating why you are submitting an application
 - Initial Certification
 - Change in institutional ownership or structure
 - Recertification
 - Designation as an eligible institution
 - Reinstatement
 - Update Information
- Check all that apply to your submission



Submitting an E-App: Section A

- **Update Information** options commonly used:
 - Accrediting Agency
 - Additional Location
 - Address Change
 - Board of Directors
 - Degree Program
 - Financial Aid Administrator
 - Name Change
 - Non-degree/ Vocational Program
 - Officials/Directors of Institution
 - Third-Party Servicer



Submitting and E-App: Section A

- Affirm your school has no other name
- Affirm whether your school has had another name in the past four years
- Must hit "OK/Save Data" at the bottom of each page



Submitting an E-App: Other Sections

- Select the Section you wish to update and answer the questions therein. Sections include:
 - Accreditation; State Authorization
 - Institutional Control
 - Education programs
 - Correspondence courses
 - Initial applications
 - Foreign institutions
 - For-profit institutions
 - School Locations
 - Third-Party servicers



Submitting an E-App: Other Sections

- Section K: Administrative capability
 - Must check off all questions in this section affirming your administrative capability before submitting
- Section L: CEO/President Signature Page
 - Must be completed to make submission valid
- Section M:
 - Lists all documents that must be submitted



Submitting an E-App

- Emphasis will be shown that you must hit the “Submit” button to send your E-App
- Right before final submission your data to be updated will be shown; *read it over very carefully* to ensure all is as you want to submit
- Hit “Submit” and print off the resulting filing confirmation page which shows the date and time of your filing; keep this for your records



Mail Documentation

- Present CEO/President with a Memo summarizing the changes being made along with the Signature Page for them to sign
- Be prepared to discuss the changes if asked
- Scan a copy of all materials to be submitted
- Send all documentation (cover letter and documentation each in own section) to US Department of ED in Washington, D.C. (a address is provided at point of E-App submission); use *certified* mail



Checking E-App Status

- You may check the status of your E-App at any time from <http://eligcert.ed.gov/>
- Typically takes 35 – 45 days for updates to occur
- You and the CEO/President will be notified by email when complete or if additional info is needed
- Once completed, notify all interested parties on campus of the updates that have been made



Completed ECAR Update

- From <http://eligcert.ed.gov/>, near the bottom of the links on the left side, choose "PPA/ECAR"
- From the selections offered, choose "Eligibility and Certification Approval Report (ECAR)" in order to see your new ECAR in its entirety
- By highlighting all, you can copy and paste into Word to keep an electronic copy for your records
 - I recommend using "Portrait" orientation and "Narrow" margins to ease readability



SPC Process flow

- First we got buy-in from the entire college to control the process and limit timeframes for changes
 - All program additions/subtractions/changes happen twice per year on a set schedule
 - FA is included in the process from the beginning and works with departments to prepare documentation
 - FA notified in advance of any changes going to BOT that are included on PPA

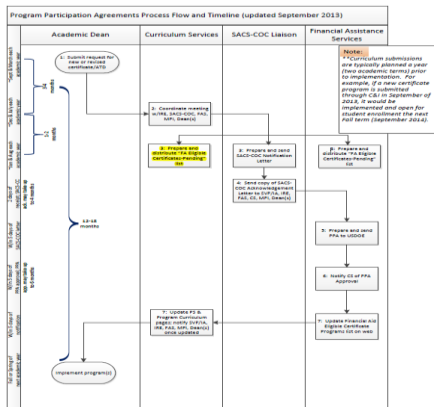


Table with columns: Institution/Program Name, CEP Code, # of Weeks, Cook Year, # of Hours, Program, Qualification, Status, Type, Notes, Corresponding Plan. Rows include various programs like Accounting Technology, Business Administration, etc.

Horizontal lines for handwritten notes or signatures, corresponding to the rows in the table.

SCHOOL ELIGIBILITY SERVICE GROUP (SESG)

Ron Bennett - Director, School Eligibility Service Group, Washington, DC (202) 377-3181

School Eligibility Service Group General Number: (202) 377-3173 or e-mail: CECEForms@ced.gov

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

Horizontal lines for handwritten notes or signatures, corresponding to the text below.

New York/Boston School Participation Division

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

- Betsy Coughlin, Director (646) 4383737
Tracy Nave - Boston (617) 2864146
Patrice Fleming - Washington, DC (202) 374209
Chris Corry - New York (646) 4887338

Philadelphia School Participation Division

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

- Nancy Gilford, Director (215) 6566436
John Loreng - Philadelphia (215) 6566437
Shirley Bell - Washington, DC (202) 3773349

Multiregional & Foreign Schools Participation Division

Michael Frois, Director - Washington, DC (202) 377384

Barbara Herold - Washington, DC (202) 3774201

Joseph Smith - Washington, DC (202) 3774203

Barbara Murray - Washington, DC (202) 3774203

Atlanta School Participation Division

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

- Christophe Miller, Director (404) 9748297
David Smith - Atlanta (404) 9748001
Vanessa Dillard - Atlanta (404) 9748418

Dallas School Participation Division

Arkansas, Louisiana, New Mexico, Oklahoma, Texas

- Cynthia Thornton, Director (214) 6619467
Jesus Moyá - Dallas (214) 6619472
Kim Peter - Dallas (214) 6619471

Kansas City School Participation Division

Illness: Kansas, Kentucky, Missouri, Nebraska, Tennessee

- Rahul Lobaco, Director (816) 2855489
Dwain Corwin - Kansas City (816) 2864420
Jan Brandow - Kansas City (816) 2864429

Clery/Campus Security, Managed under the Administrative Actions and Appeals Review Group

- Jim Moore - Washington, DC (202) 3774096

Chicago/Denver School Participation Division

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

- Douglas Parrot, Director (312) 730-1522
Earl Furley - Chicago (312) 730-1521
Shirley Yule - Chicago (312) 730-1522
Douglas Parrot - Denver (A) (312) 730-1532

San Francisco/Southwest School Participation Division

Alaska, Arizona, California, Georgia, Hawaii, Nevada, Idaho, Kansas, Louisiana, North Carolina, State of Wisconsin, Alaska, Idaho, Oregon, Washington

- Merle Fernandez-Rosario, Director (415) 486-5605
Gayle Palumbo - San Francisco (415) 486-5614 or Seattle (206) 415-5889
Dyoni Tonoy - Washington, DC (202) 377-3639
Erik Foster - San Francisco (415) 486-5606



Questions?

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