

SUPPORTING STATEMENT

Information Collections under the Proposed Regulations Governing the Student Assistance
General Provisions – Satisfactory Academic Progress Policy

A. Justification

1. Necessity of Information Collected

This request is for approval of updates and changes to the policies and procedures for determining satisfactory academic progress (SAP) as required in Section 484 of the Higher Education Act of 1965, as amended (HEA). The proposed regulations restructure the SAP requirements by retaining the requirement for a SAP policy in §668.16 “Standards of administrative capability”, moving the SAP policy specifications currently in §668.16(e) and putting all of the policy elements current and proposed into 668.34 and providing appropriate cross references in §§668.16(e) and 668.32(f).

These regulations identify the policies and procedures to ensure that students are making satisfactory academic progress in their program at a pace and a level to receive or continue to receive Title IV, HEA program funds. If there is lapse in progress, the policy must identify how the student will be notified and what steps are available to a student not making satisfactory academic progress toward the completion of their program, to continue to receive Title IV, HEA program funds.

2. Purpose and Use of Information Collected

Administrative transfer from General Provisions (OMB control number 1845-0022)

Team I – Program Integrity Issues – RIN-1840-AD02

Section 668.16(e) – Standards of administrative capability.

Under current regulations in 34 CFR 668.16(e), specific requirements regarding the elements of satisfactory academic progress were enumerated including but not limited to, qualitative and quantitative components and required policies and procedures. Under the Final regulations, these detailed requirements have been moved to 34 CFR 668.34.

Section 668.34(a) – Satisfactory academic progress policy.

This section of the regulations incorporates the requirements of the SAP policy from §668.16(e) as well as additional requirements specifying –

- the pace that a student must progress to ensure completion of their academic program within the maximum timeframe
- describe how transferred credits affect the pace and maximum timeframe for program completion

- institutes how “financial aid warning” and “financial aid probation” statuses are used in progress calculations
- a description of the appeal process and how it can be used to reestablish Title IV aid eligibility
- if a school doesn’t have an appeal process how a student may regain eligibility for assistance
- a notification of the results of a student’s evaluation that impact their eligibility for financial aid fund.

Section 668.34(c) – Institutions that evaluate satisfactory academic progress at the end of each payment period.

This section of the regulations identifies the process that is followed for institutions that evaluate a student’s SAP at the end of a payment period. This new section would specify that an institution’s policy may provide for disbursement of Title IV aid to a student not meeting SAP under certain circumstances. This would include policies that automatically place a student who is not meeting SAP on “financial aid warning” a newly defined term.

Section 668.34(d) – Institutions that evaluate satisfactory academic progress annually or less frequently than at the end of each payment period.

This section of the regulations identifies the process that is followed for institutions that evaluate a student’s SAP on an annual basis. This new section would specify that an institution’s policy may provide for disbursement of Title IV aid to a student not meeting SAP under certain circumstances. This would include policies that require a student to file an appeal and either having a determination made by the school that the student should meet SAP standards after the subsequent payment period or if the school develops, with the student, an academic plan which if successfully completed will ensure the student meets the institution’s SAP standards at a specific time.

Team II – Foreign Schools Issues RIN-1840-AD03

Section 600.55(g)(1) & (2) – Other Criteria.

This proposed new regulation would require foreign graduate medical schools to apply existing regulations in SAP for establishing maximum timeframes in which a student must complete their educational program and require that a student complete their educational program in 150 percent of the published length of the program. And it would require foreign graduate medical schools to document the educational remediation it provides to assist students in making SAP.

3. Consideration of Improved Information Technology

The institution may provide their policy and procedure information to students via an Internet or Intranet Web site as an efficient method to provide the SAP requirements.

4. Efforts to Identify Duplication

There is no duplication of data as a result of the collection of this information.

5. Burden Minimization as Applied to Small Business

No small businesses are impacted by this collection.

6. Consequences of Less Frequent Data Collection

The statute requires that the student's progress be evaluated at the end of each academic year or the equivalent. Evaluation at any longer interval could risk funds being disbursed to ineligible students.

7. Special Circumstances Governing Data Collection

The information collection requirements require no special circumstances.

8. Consultation Outside the Agency

The Department of Education (Department) announced in a September 9, 2009 Federal Register notice (74 FR 46399) its intention to establish negotiated rulemaking committees to prepare a proposed regulation under Title IV of the HEA. These committees were formed as a result of a Federal Register notice published on May 26, 2009 (74 FR 24728) which announced a series of three regional hearings at which interested parties could comment on topics suggested by the Department and suggest additional topics for consideration. The topic "Satisfactory Academic Progress" was among the list of program integrity issues listed by the Department for Team I for Program Integrity Issues. While this was not a specific topic for Team II Foreign Schools Issues, the issue of SAP was addressed in one section of regulation regarding foreign graduate medical schools.

In addition to the two separate Notices of Proposed Rulemaking that impacted this information collection – 1840-AD02 and 1840-AD03 – a 60-day Federal Register notice and a 30-day Federal Register notice was published seeking public comment.

9. Payments or Gifts to Respondents

No payments or gifts will be provided to the respondents.

10. Assurance of Confidentiality

There is no assurance of confidentiality provided to institutions for the submission of this information.

11. Questions of a Sensitive Nature

The Department is not requesting any sensitive data.

12. Annual Hour Burden for Respondents/Recordkeepers

Team 1 – Program Integrity Issues

Section 668.16(e) – Standards of administrative capability.

Administrative transfer from OMB 1845-0022

<u># of Respondents</u>	<u># of Responses</u>		<u># of Burden Hours</u>
3,500	3,500	X 6 hrs	21,000

Section 668.34(a) – Satisfactory academic progress policy

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>
For-profit institutions			
2,086	2,086	X 3 hrs	6,258
Private institutions			
1,731	1,731	X 3 hrs	5,193
Public institutions			
1,892	1,892	X 3 hrs	5,676
TOTAL			
5,709	5,709		17,127

Section 668.34(c) – Institutions that evaluate satisfactory academic progress at the end of each payment period.

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>
Individuals not meeting SAP requirements			
366,282	732,564	X .17	124,536
For-profit institutions – Evaluation of all students for SAP			
2,086	3,872,124	X .02	77,442
For-profit institutions – Working with students not meeting SAP			
*	271,048	X .25	67,762
Private institutions – Evaluation of all students for SAP			
1,731	3,139,560	X .02	62,791

Private institutions – Working with students not meeting SAP	*	219,770	X .25	54,943
Public institutions – Evaluation of all students for SAP	1,892	3,453,516	X .02	69,070
Public institutions – Working with students not making SAP	*	241,746	X .25	60,437
<hr/>				
TOTAL	371,991	11,930,328		516,981

Section 668.34(d) – Institutions that evaluate satisfactory academic progress annually or less frequently than at the end of each payment period.

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>	
Individuals not meeting SAP requirements	597,618	597,618	X .17	101,595
For-profit institutions – Evaluation of all students for SAP	2,086	3,158,838	X .02	63,177
For-profit institutions – Working with students not meeting SAP	*	221,119	X .25	55,280
Private institutions – Evaluation of all students for SAP	1,731	2,561,220	X .02	51,224
Private institutions – Working with students not meeting SAP	*	179,285	X .25	44,821
Public institutions – Evaluation of all students for SAP	1,892	2,817,342	X .02	56,347
Public institutions – Working with students not making SAP	*	197,214	X .25	49,304
TOTAL	603,327	9,732,636		421,748

*-To avoid double counting the number of respondents when developing this spreadsheet for sections 668.34(c) and section 668.34(d), the number of institutions is only included when counting the total number of student evaluations for SAP.

TEAM I GRAND TOTAL

984,527 21,672,173 976,855

Team II – Foreign School Issue

Section 600.55 – Other criteria.

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>
-------------------------	-----------------------	---------------------	--------------------------

For-profit institutions

3	3	X 2.5	7.5
---	---	-------	-----

Private institutions

10	10	X 2.5	25
----	----	-------	----

Public institutions

58	58	X 2.5	145
----	----	-------	-----

TEAM II TOTAL

71	71		178
-----------	-----------	--	------------

GRAND TOTAL

984,598 21,672,244 977,033

For additional information, please see the supplementary documentation “Burden Analysis – 1845-NEW2 – 1840-AD02 and 1840-AD03.

13. Start-Up Cost Burden to the Respondents

There is no new system start-up costs associated with these proposed regulations.

14. Estimated Annual Cost to the Federal Government

There are no additional costs to the Federal government as a result of the proposed regulation.

15. Reasons for Changes to Burden Hour Estimated

The increase of 977,032 burden hours is entirely due to programmatic change, including an administrative transfer of 21,000 hours from 668.16(e)(OMB# 1845-0022) to 668.34 to streamline most satisfactory academic progress (SAP) elements into one ICR. Due to the consolidation of the satisfactory academic progress regulations, an administrative transfer of

3,500 respondents, 3,500 responses and 21,000 burden hours from OMB control number 1845-0022 to 1845-NEW2 is being performed.

The proposed regulations identify policies and procedures to ensure that students are making satisfactory academic progress in their program at a pace and a level to receive or continue to receive Title IV, HEA program funds. The proposed regulations require that if a lapse in progress occurs, the policy must identify how a student will be notified and what steps are available to a student, not making SAP, to continue studies and under what conditions the student may continue to receive Title IV, HEA program funds. The burden changes are a result of changes to regulations to help to clarify and provide a more structured approach for the development and implementation of institutional satisfactory academic progress policies. A summary is provided below.

Team I – Program Integrity Issues

# of Respondents	# of Responses	# of Burden Hours
<u>Section 668.16(e) – Standards of administrative capability. (Administrative transfer from OMB 1845-0022)</u>		
3,500	3,500	21,000
<u>Section 668.34(a) – Satisfactory academic progress policy</u>		
5,709	5,709	17,127
<u>Section 668.34(c) – Institutions that evaluate satisfactory academic progress at the end of each payment period.</u>		
371,991	11,930,328	516,981
<u>Section 668.34(d) – Institutions that evaluate satisfactory academic progress annually or less frequently than at the end of each payment period.</u>		
603,327	9,732,636	421,748
TOTAL		
984,527	21,672,173	976,855

Team II – Foreign School Issues

# of Respondents	# of Responses	# of Burden Hours
<u>Section 600.55(g) – Other criteria.</u>		
71	71	178
TOTAL		
71	71	178

GRAND TOTAL

984,598

21,672,244

977,033

16. Collection of Information with Published Results

The results of the collection of information will not be published.

17. Approval to Not Display Expiration Date

The Department is not seeking approval to not display an expiration date.

18. Exception to the Certification Statement

The Department is not requesting any exceptions to the “Certification of Paperwork Reduction Act Submissions”.