



# ALTERNATIVE LEARNING MODELS

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CONSIDERATIONS FOR FINANCIAL AID

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# The challenges we face:

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Higher education is in an unprecedented state of evolution

Financial aid administrators share a sacred duty in providing access to funding while also maintaining a school's compliance and Title IV eligibility

The statutes, rules and regulations that govern the Title IV programs have not kept pace with learner and student needs and new educational models

# Has this ever happened to you?

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A provost, dean, instructor, etc. approaches the financial aid office with a new idea in delivering education that leverages new technology, implements a new learning modality, changes the student experience or impacts costs to the student or school and is unlike the other existing models at the school.

And by the way, students need to have access to financial aid.

Also by the way, it's going live next semester...

# What do we do?

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When the answer to many financial aid questions is “it depends”

Ideally the Financial Aid office would be involved in all stages including design, development and implementation leading up to launch.

Objective – Provide a summary of topics and questions that can be socialized at your school to create the best opportunity to successfully implement new models.

# Basic Academic Program Types

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# Academic Program Types

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## Degree Programs

- Associate's, bachelor's, master's, doctoral

## Nondegree Programs (Gainful Employment)

- Diplomas, certificates, other recognized credentials
- College-level, credit-bearing
- Reasonable relationship between program length and State/accreditor training requirements

All programs must be authorized by the accreditor and the state to be eligible for Title IV funds, whether through blanket or explicit approval

# Academic Year and Terms

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# Academic Year Definition

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Every program must have an academic year defined for Title IV purposes. It may not align with the school's academic calendar

## Minimum requirements

- Credit-hour programs
  - 30 weeks of instruction
  - 24 semester/trimester credit hours
- Clock-hour programs
  - 26 weeks of instruction
  - 900 clock hours

A program that does not meet these minimum requirements is subject to proration of federal aid



# The Credit Hour

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34 CFR 600.2: Each credit hour must include an amount of expected academic activity that reasonably approximates not less than:

- Approximately 45 hours of academic activity for one semester or trimester hour; or
- Approximately 30 to 36 hours of academic activity for one quarter hour

# The Credit Hour

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Credit-hour programs are not necessarily required to use structured class sessions, but institutions must ensure that students are expected to complete an adequate amount of academic activity for each Title IV credit-hour

An institution's policies for establishing credit-hours for a program must also meet all requirements and standards set by the institution's accrediting agency

# Weeks of Instruction, Academic Activity

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## 34 CFR 668.3(b)

- A “week of instructional time” is a consecutive seven-day period in which in which at least one day of instruction or examinations occurs (academic activity)
- In non-traditional models this means that students are *expected* to engage each week and have the resources and access to qualified faculty support to do so

# Weeks of Instruction, Academic Activity

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## Examples of Academic Activity

- Engaging in regularly scheduled learning sessions (direct interaction with faculty)
- Submitting an academic assignment;
- Taking an exam, an interactive tutorial, or computer-assisted instruction
- Attending a study group that is assigned by the institution;
- Participating in an online discussion about academic matters;
- Consultations with a faculty mentor to discuss academic course content; and
- Participation in faculty-guided independent study

# Regular and Substantive Interaction

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All Title IV-eligible programs must be designed to ensure regular and substantive interaction between students and qualified instructors

Otherwise a course is considered correspondence resulting in limitations in Title IV eligibility

# Regular and Substantive Interaction

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Interactions that are exclusively student-initiated are not considered regular and substantive.

Interactions must occur on a predictable and regular basis.

Interactions are substantive if they are substantial and relevant to the subject matter and provided by subject matter experts who meet accreditor qualification requirements

# Regular and Substantive Interaction

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Regular and substantive does not necessarily require scheduled classes but can also include:

- Participation in faculty-supervised discussion groups
- Faculty-initiated discussions with students
- Substantive feedback provided by faculty upon submission of student assignments

# Academic Year – Term vs. Nonterm

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## Term-based

- Student work must begin and end within defined term dates and cannot overlap terms
- There must be a reasonable expectation that a student can complete their work by the end of the term if work is begun later in the term (modules)
- Student work may be self-paced, albeit within the term dates



# Academic Year – Term vs. Nonterm

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## Nonterm

- Students may begin and end work at their own pace and on their own schedule
- Financial aid eligibility “floats” with the student dependent upon how quickly or slowly they progress

# Student Progress and Pacing

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# Satisfactory Academic Progress

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Academic progress through a program is measured by both qualitative (grade-based) and quantitative (time-based) standards

In the absence of traditional grades the qualitative measure must define successful completion of work as equivalent to a “C” or above

# Satisfactory Academic Progress

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Quantitative measures must be evaluated by dividing the number of credit hours completed by the number of hours attempted

The institution must define what constitutes “attempted”

# Pacing Matters – Before a Term Ends

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Is there a possibility that the student will have completed all coursework before the term ends?

If so, the student may be subject to R2T4 due to not completing the term in respect to calendar time.

This applies even if the student has successfully completed all coursework or even graduated during the term in progress.

# Pacing Matters – After a Term Ends

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Is there a possibility that the student will not have all coursework completed prior to the end of the term? It is critical to identify what the student experience looks like after the term ends.

If the student experience is not substantially different than during the term it may create a nonterm scenario.

# Pacing Matters – Incomplete Grades

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There are expectations for Incomplete grades that distinguish between term-based on nonterm Title IV treatment:

- An Incomplete cannot be automatically given nor can it be the de facto grade for a course at the end of a term.
- The student must have completed a minimum amount of work to be eligible for the Incomplete
- The student must request the Incomplete.
- There must be a reasonable timeframe for the student to complete the remaining requirements and when a final grade would be issued.

# Interruptions in Enrollment, Participation

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There must be a process for official withdrawals and must also be able to identify unofficial withdrawals

The institution must be able to identify and document when a student has begun participating.

Institutions must also assess whether they will permit leaves of absence if a student ceases to participate for an extended period of time, or if they will consider the student to have withdrawn. Note that there are specific requirements for a leave of absence for Title IV purposes



# Processes and Billing

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# Billing Model

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## Course-based or credit based

- Students are billed according to the number of credits or courses they are enrolled in for a distinct period

## Flat-rate or subscription

- Students are billed a flat rate for a period of time regardless of the number of courses/credits enrolled, attempted and/or completed

## Extraordinary costs

- Will there be extraordinary costs to be factored into the Cost of Attendance?

\*Note that billing periods may not correspond directly with financial aid eligibility periods depending on academic year type and structure

# The Systems Question

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Can your system accommodate the flexibility offered to students

- Registration
- Grading
- Academic progress evaluation
- Participation monitoring
- Withdrawal tracking
- Disbursement of funds
- Billing

# The Processes Question

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Are manual processes required to accommodate your program(s)?

To what extent are existing processes or procedures impacted?

- Additional processing time
- Additional staff workload
- Additional student contacts (calls, e-mails, counter visits) from students used to more traditional models

# Design, Development & Deployment

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MILESTONES AND CONSIDERATIONS

# Conceptual Phase

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Get financial aid involved as early as possible, even in “listen only” mode

The financial aid administrator may have to do extensive research, networking and knowledge transfer for a new program or modality in addition to other annual/cyclical financial aid regulatory changes

The earlier the communication the more time to assimilate and gain buy-in

# Development Phase

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## Identify/discuss

- Credential/degree level
- Curricular/instructional delivery (mode, pace, structure)
- Academic year structure/type
- Satisfactory academic progress/academic standing, grading basis, repeats, incompletes, open-entry/open-exit, grade level

# Development Phase (cont.)

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## Identify/discuss

- Recording/documenting student engagement
- Open source vs. required materials
- Written arrangements
  - 3rd party content/assessment provider
  - Other school(s)
- Interruptions in enrollment (withdrawals, leave of absence)



# Operational Planning

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- Technical considerations
  - Financial aid systems
  - Manual workarounds
- Staffing impact
- Impact on existing program offerings and FA functions
- Knowledge, experience, skills (nonterm)
- Impact on non-FSA programs (institutional, state, private, VA etc.)
- Admissions processes/timelines
- Registration processes/timelines
- Billing processes/timelines
- Program launch timeline and the financial aid year

# Approvals & Deployment

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State approval

Accreditor approval

Department of Education Approval

Consumer information updates

# Questions/Discussion

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# Thank you!

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