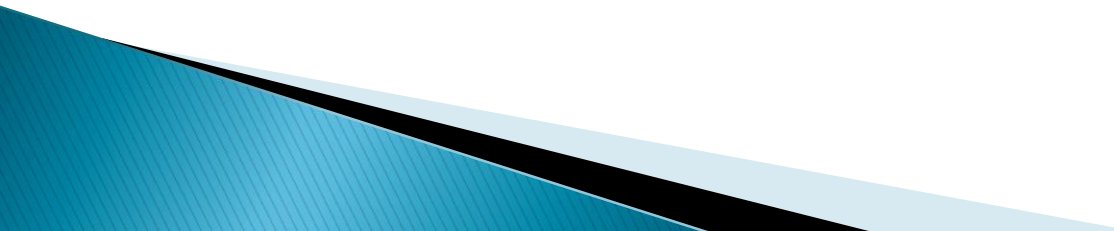


Welcome to Mohegan Sun and The Boston Education Network Workshop

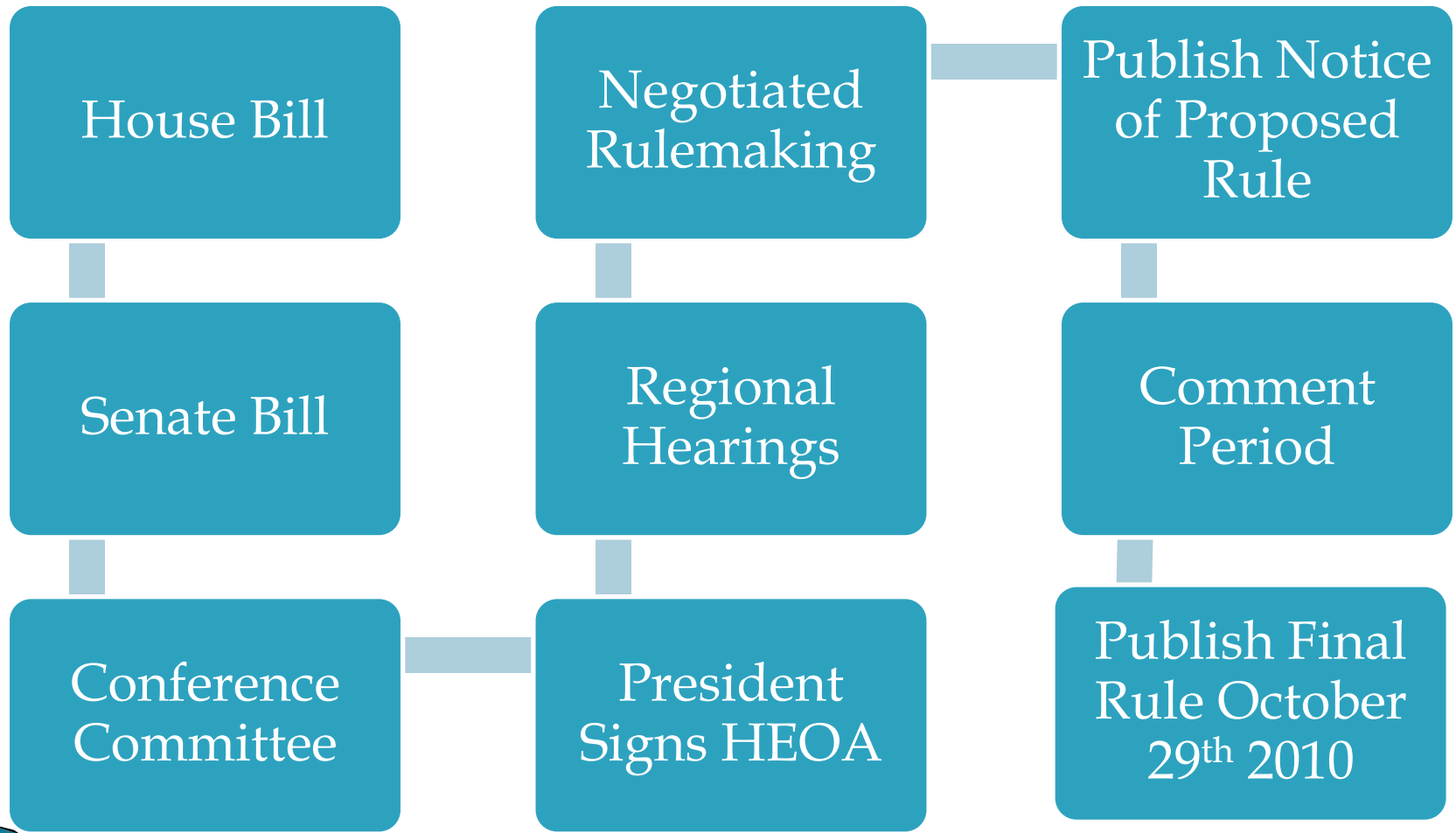
Program Integrity 2011



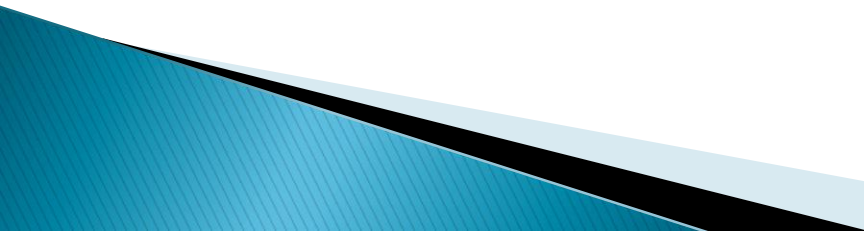
Today's Objectives & Activities

- ▶ To gain a better understanding and clarity on what the climate that we are presently working in
 - ▶ Process
 - ▶ Efforts and Tea Leafs
-
- ▶ This portion of the workshop is not meant to be construed as legal advice and should not be a proxy for compliance.
- 

The Process



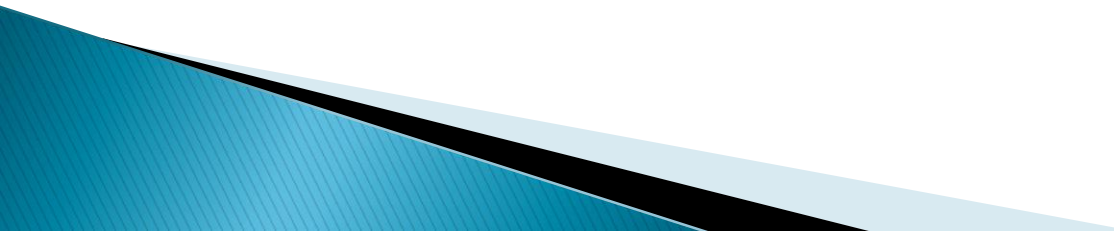
The Process

- ▶ Published 13.5 Rules In November
 - ▶ 2 House Hearings
 - ▶ 3 Senate Hearings
 - ▶ 2011 we'll see more 3/3 House/ Senate
 - ▶ Field Hearings and Forums
 - ▶ Letters from Members of Congress
 - ▶ Letters from Senators
 - ▶ CREW, CES, APSCU, AACCS and EIEIO
- 

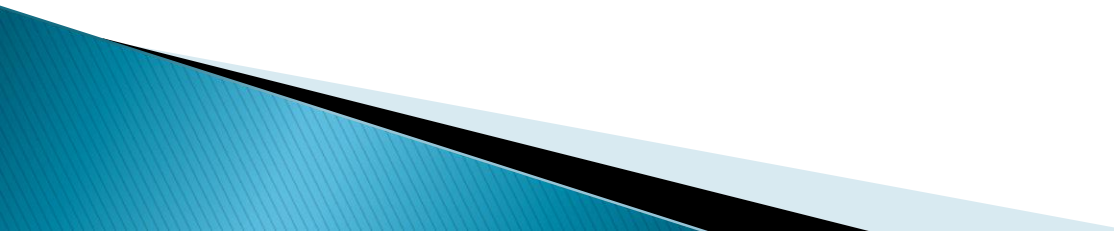
Implementation



State Authorization

- ▶ Must be authorized to provide postsecondary education in the state you are located.
 - ▶ Exemptions exist for some federal, tribal and religious Institutions.
 - ▶ Delayed Implementation by application.
 - ▶ Distance Ed.
 - ▶ State must establish complaint process and must review and address independently of the institutional process.
- 

State Authorization - Cont.

- ▶ Not limited to a single agency or entity.
 - ▶ Governing Agency/ Agencies must be disclosed.
 - ▶ 1 year extension + 1 additional.
 - ▶ Explanation from State Agency why and how.
- 

ATB/ High School Diploma

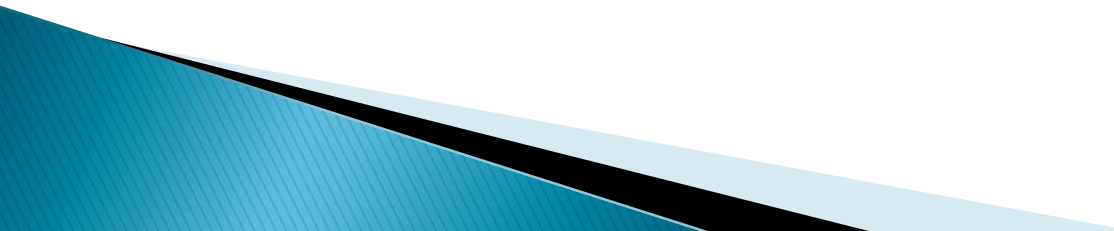
Authenticity of Credential Questioned.

List of Credentials not recognized.

New Persistence Provision

- ▶ Completion of 6 Credit Hours or 225 clock hours.
- ▶ Must make SAP.
- ▶ Tests kept off site.
- ▶ Restrictions on Administrators of ATB test.

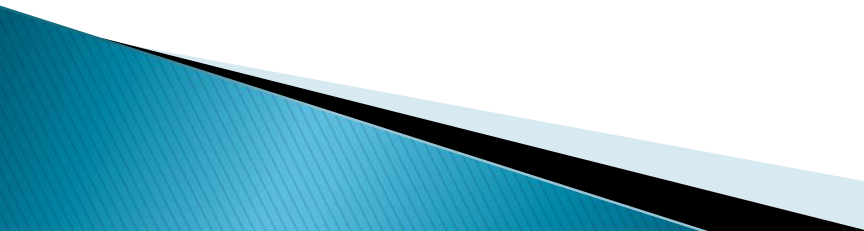
Credit Hour Definition

- ▶ Measures content and rigor.
 - ▶ Carnegie unit 1+2.
 - ▶ 30:1 ratio becomes 37.5:1 for Semester Credit, 25:1 for Quarter Credit
 - ▶ Lowers Aid unless program is lengthened.
 - ▶ Substantive Change ?
 - ▶ Students enrolled prior to 6/30/11 existing policy.
- 

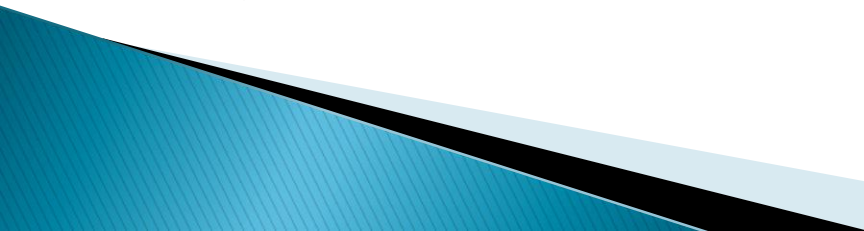
Satisfactory Academic Progress

- ▶ Evaluation for purposes of Title IV eligibility only at end of payment period or academic award year.
- ▶ Minimum GPA and Attendance.
- ▶ Pace must insure completion 150% of normal time.
- ▶ FA Warning only used if evaluation is at end of payment period. Eligible for subsequent PP
- ▶ FA Probation. Academic Year. NOT ELIGIBLE. Appeal process. Aid restored based on academic plan and timelines.

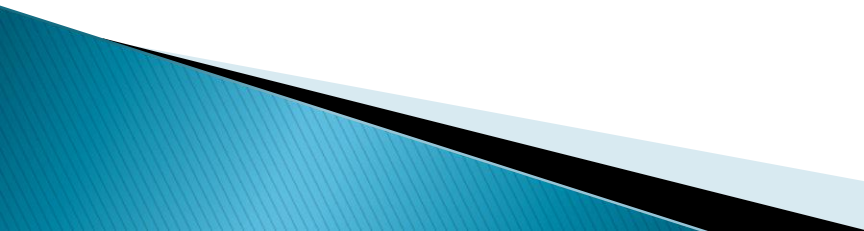
90-10

- ▶ ECASLA Exemption Expires 6/30/11.
 - ▶ \$2,000 migrates.
 - ▶ Where do you stand?
 - ▶ Expect bump up of 3%-10%
 - ▶ Promissory note, Regular payments .
- 

Extras.....

- ▶ 3 year CDR's being Phased in. 1st Draft 3 yr rate Feb 2012, 1st official rate Sept. 2012. Sanctions Sept. 2014.....
 - ▶ Extended Default Management. Rate Appeals no more than 45 days after receipt.
 - ▶ Servicing Appeals. Data 15 days after receipt. Submission of Appeal 30 days after receipt of data.
 - ▶ TILA disclosures.
 - ▶ Net Price Calculator by 10/29/11.
- 

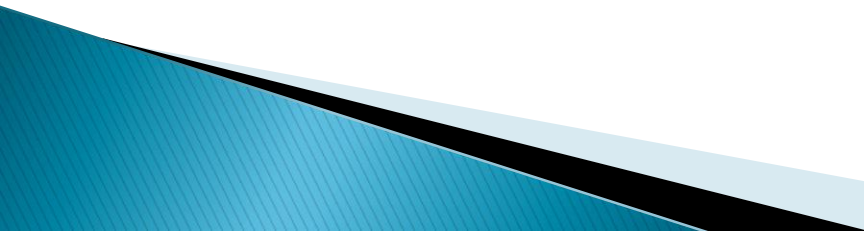
Extra Extras.....

- ▶ Financial Literacy Counseling. TBD.
DOE/ AG/Treasury.
 - ▶ Campus Crime add Immediate Response & Evacuation contact.
 - ▶ FERPA.
 - ▶ Incentive Compensation. Don't do it !!
 - ▶ Misrepresentation. Program, Earnings, Professional Credential, Financial Aid.
- 

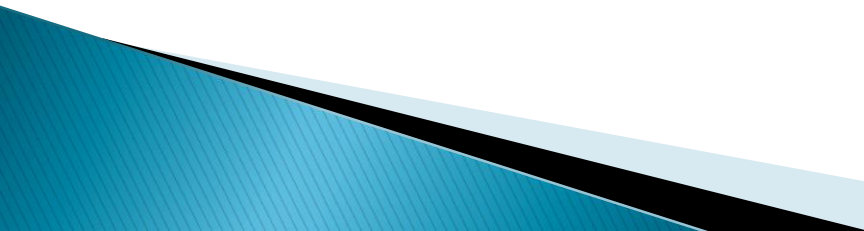
Gainful Employment or GE

..... A program must prepare a student for gainful employment in a “recognized occupation”.

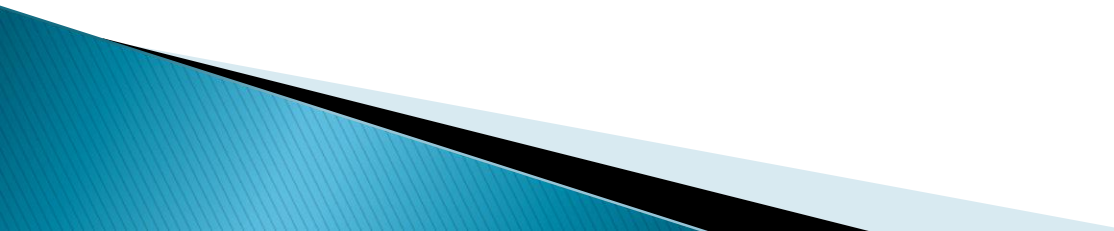
Recognized Occupation was defined as CIP (Classified Instructional Programs) Codes that link to Specific SOC Codes (Standard Occupational Classifications) as established by the OMB (Office of Management and Budget) and DOL (Department of Labor) available through O Net-SOC (Occupational Information Network)



GE

- ▶ Programmatic (SOMETIMES)
 - ▶ Includes ALL Loans.
 - ▶ Disclosure effective date 7/1/2011 & 10/1/2011
 - ▶ Includes Grads only. Median Loan Debt.
 - ▶ Placement Rates (TBD)
 - ▶ Template (TBD)
 - ▶ On Time Completion (TBD)
 - ▶ CIP Codes
 - ▶ OPEID
 - ▶ Bright Lines/Eligibility? (Not if When)
- 

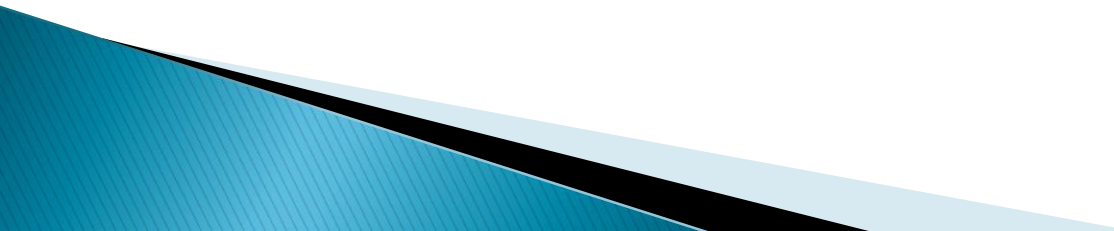
GE

- ▶ Annual Submissions.
 - ▶ For each student enrolled the CIP Code, Date of Completion or Withdrawl, loans and source i.e Title IV, Institutional etc., Name of program(s).
 - ▶ No later than 10/1/2011 for Award years 07/08-09/10. If not then there must be explanation.
- 

GE

- ▶ Institution is required to display prominently certain disclosures on web site and all marketing material as of 7/1/2011:
- ▶ Cost of Program including tuition, books, fees, supplies, room and board.
- ▶ On time Graduation.
- ▶ The SOC Codes that the program prepares graduates for.
- ▶ Placement Rate
- ▶ Median Loan Debt identified separately as Title IV, Institutional, and private.

GE

- ▶ Debt to Income Rates: Ratio can be no more than 12% of income or 20% of discretionary income.
 - ▶ SSA Data will determine income.
 - ▶ No Appeal or Review.
 - ▶ Completers Only.
 - ▶ 3 most recently completed award years.
 - ▶ Part Time employees will kill you.
 - ▶ No Economic Adjustment.
 - ▶ No Calendar Adjustment.
- 


GE

- ▶ Repayment Rates.
 - ▶ For *All Students* that Attended the Program.
 - ▶ Economic Recovery Calculation.
 - ▶ Outstanding Original Principal Balance (OOPB) = The Outstanding balance on FFEL or DL + Any Capitalized Interest + *Any Other Loans That Entered Repayment for the prior FOUR Fiscal Years.**
 - ▶ *Loans Paid in Full (LPF) Not counting Consolidation.*
 - ▶ *Reduced Principal Loan (RPL) = Payments in most recently completed fiscal year reduced the outstanding principal balance.*
- * *Not PLUS Loans*

GE

REPAYMENT RATE, THE FORMULA:

OOPB of LPF + OOPB of RPL


OOPB of all Loans for students attending the program*

* Deferments and forbearances except disability do count.

GE

As Implementation Approaches 7/1/2011

Questions Loom:

How do you Calculate On Time Graduation?

SAP, Scheduled or Actual?

What Template do we to use to Calculate Median Loan Debt?

Is Best Faith Effort a Safe Harbor?

What if my State does not provide proper Authorization?

Questions and Answers

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