

**Consortiums & Contracts:
Written Agreements Between Schools**

Panel Presentation:

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Agenda

- Definition and purpose
- Policies applicable to all written agreements
- Consortium agreement policies
- Contractual agreement policies
- Study abroad
- References and resources

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Consortium Agreement

A written agreement between two or more eligible schools

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Contractual Agreement

A written agreement between an eligible school and an ineligible school or organization

4

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Other Definitions

- Home school:
The school where the student is enrolled in a degree or certificate program
- Host school:
The school where the student is taking part of her or his program requirements through a consortium or contractual agreement

5

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Purpose

Consortium and contractual agreements allow students to receive Title IV aid to take advantage of educational opportunities outside of the home school.

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Purpose

- Study abroad and summer programs
- Sharing of learning resources in a school's community
- Course offerings, fields of study or modes of delivery not otherwise available at the home school
- 'Two-plus-two' and other partnerships to promote bachelor's degree completion
- Flexibility for students to live in alternate locations

7

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**General Policies:
Consortiums and Contracts**

8

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Scope

- Agreements can be made broadly, or for an individual student or group of students
- Agreements can be made for a limited period of time, or can go on indefinitely
 - Standing agreements need not be renewed unless there is a change in terms

9

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Academic Credit

- The home school *must* give credit for courses taken at schools or organizations included in the agreement
 - Courses must be applicable to the student's program
- Assumption is that the home school accepts the other entities' standards
 - Equivalent academic standards
 - As if the home institution had provided the instruction itself

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Eligibility and Disbursement

- For calculating Title IV awards, the Costs of Attendance for the home and host schools are combined
- Disbursements of Title IV aid can be made according to host schools' payment periods as appropriate

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Satisfactory Academic Progress

- Home school not obligated to abide by host school satisfactory academic progress (SAP) policies, such as grade point requirements
- Grades earned at host school are not required to be included in home school's GPA review for SAP
 - Credits must be included in *quantitative* SAP review, such as the percentage of credits attempted that are successfully completed

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Enrollment Status and Reporting

- Enrollment status is a combination of all concurrent courses that apply to a student's program, at home and host school(s)
 - Adjustments may be required if schools award credit differently (see example in 2014-15 FSA Handbook, 3-50)
- For the National Student Loan Data System (NSLDS) the home school is *always* responsible for monitoring and reporting enrollment 

13

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Consumer Information

- Schools must provide information about all written agreements to both enrolled and prospective students
 - Portion of programs provided at host schools
 - Methods of delivery
 - Names and locations of host schools
 - Estimated costs of enrolling in host school courses

14

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State Complaint Process

- Contact information for filing a complaint about a school must be provided for *each state* in which the school operates

15

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Policies and Procedures

- Procedures for entering into written agreements with other entities should be included in a school's policies and procedures manual.
 - General policies on entering into agreements
 - Who is responsible for negotiating and updating agreements as needed
 - Agreement templates used (paper and/or electronic)
 - Offices of record

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Consortium Agreements

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Consortium Agreements

The diagram consists of two blue rectangular boxes. The top box contains the text "Individual students or Groups of students". A green double-headed arrow points from this box to a second box below it, which contains the text "Individual schools or Groups of schools".

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Required Elements

- Which school is the home school?
- What are student costs for attending home and host schools?
- What will be the student enrollment status at the home and host schools?
- Which school will determine student eligibility and calculate awards?
- Which school will disburse Title IV aid, monitor eligibility, and return funds if necessary?
- Which school(s) will maintain records?

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Eligibility and Disbursement

- Any participating school may calculate awards or make disbursements of Title IV aid without being considered a third-party servicer
 - School disbursing aid may be different from the school the student is attending
- Book funds for Pell Grant recipients must be made available by the 7th day of the payment period of the school *disbursing* aid

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Ownership

If schools participating in a written agreement are owned or controlled by the same person or company:

- The home school program must be approved by the Department as an eligible program
- The home school must provide more than 50% of the program

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Recordkeeping

- School that disburses Title IV aid must maintain documentation of:
 - Student eligibility
 - Award calculation
 - Disbursement information
 - Return information
- Documentation may be obtained from other school(s)

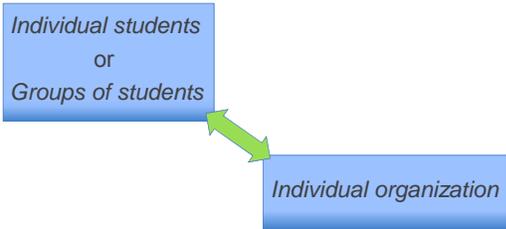


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Contractual Agreements

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Contractual Agreements



*Individual students
or
Groups of students*

Individual organization

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Limitations

- An eligible school may not enter into a contractual agreement with an ineligible entity whose:
 - Eligibility to participate in the FSA programs has been terminated, revoked, or voluntarily withdrawn
 - Application for certification or recertification to participate in the FSA programs was denied

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Limitations

- Under a contractual agreement, the eligible school is always considered the home school
 - All Title IV calculations and disbursements are made by the home school
 - All records are maintained by the home school

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Ownership

- If the home school and ineligible entity are owned or controlled by the same person or company, *no more than 25% of a program may be provided by the ineligible school*
- If the home and ineligible institutions are separately owned, the ineligible school may provide *up to (but not including) 50% of a program*
 - If the contracted portion is between 25 and 50% of a program, then the home school's accrediting or state agency must confirm in writing that the contract meets its standards

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28

Study Abroad



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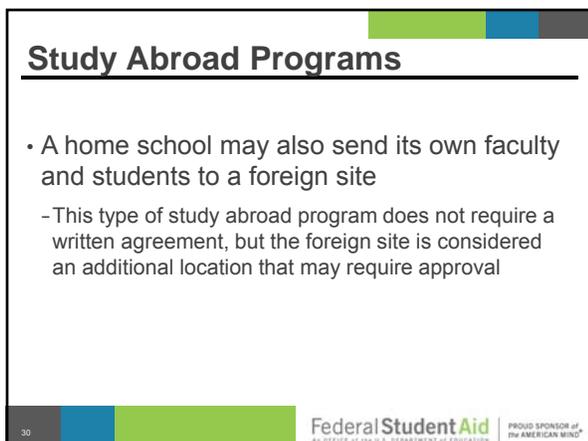
29

Study Abroad Programs

- Study abroad programs may be offered using a consortium or contractual agreement
 - Arrangements with a foreign school are always considered contractual, even if the foreign school is Title IV-eligible
 - Schools may enter into agreements with organizations that represent multiple foreign schools

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Study Abroad Programs

- A home school may also send its own faculty and students to a foreign site
 - This type of study abroad program does not require a written agreement, but the foreign site is considered an additional location that may require approval

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Eligibility and Disbursement

- Title IV aid *must* be offered to eligible students for study abroad programs
- Study abroad programs must apply to a student's academic program, but need not be *required*
- If study abroad costs are higher than typical home school costs, these must be reflected in the Cost of Attendance

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Coach's Challenges / Discussion

Call-in Show Time

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References

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References and Resources

Written agreements:

General information	34 CFR 668.5
Consumer information	34 CFR 668.43(a)(12)
State Complaint Process	34 CFR 668.43(b)

Study Abroad:

Student eligibility	34 CFR 668.39
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Foreign Schools:

Dear Colleague Letter GEN-11-18

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References and Resources

Federal Student Aid Handbook:

Vol. 2, Ch. 2: Written Arrangements Between Schools

Vol. 3, Ch. 3: Calculating Pell and Iraq & Afghanistan Service Grant Awards 2015-2016

Vol. 4, Ch. 2: Disbursing FSA funds 2015-2016

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