Slide 1 - Instructions
This presentation contains audio and closed caption features. Each slide is paused on entry. Use the navigation bar to: advance through the presentation, manage the audio and mute options, and launch or hide closed captions. The navigation bar can be accessed using the mouse or a combination of the space bar and the enter key.

Slide 2 - Title: School and Program Eligibility
Hello and thank you for joining us for an overview of the Pennsylvania State Grant Program’s School and Program Eligibility requirements.

Slide 3 - Agenda
The purpose of this presentation is to supplement information presented in Chapter 1 of the PA State Grant Program Handbook for the 2018-19 Academic Year and the 2019 Summer. During this presentation, we will examine many of the institutional eligibility requirements for participation in the State Grant Program. We will start out with a few eligibility basics before turning our attention to the new policy regarding Headquartered and Domiciled Status. Following that, we will explain the requirements for all approved programs of study effective with the 2018-19 year, touch upon PHEAA’s term start date requirements and wrap up with information on term length requirements for the State Grant Program. At the end of this presentation, we will provide some resources that will help you manage the program.

Since our session will focus solely on this Chapter, we encourage you to review the other chapter presentations and print materials at your convenience. This presentation will serve as an overview of the printed material and should be used in conjunction with the written procedures, to ensure your full understanding of, and compliance with, all State Grant Program policies. A copy of the Handbook can be found on our training webpage. We will provide the web address at the end of the presentation. Let’s begin by discussing a few of the basic school eligibility requirements.

Slide 4 - School Requirements
An institution must be approved, and meet all requirements for participation in the State Grant Program. These requirements come directly from the regulations used to administer the PA State Grant Program. A few requirements outlined in regulation §1 21.32 of the Pennsylvania code include, but are not limited to; approval by the Pennsylvania Department of Education or the equivalent State Board in the resident state; accreditation by a U.S. Department of Education or Council for Higher Education recognized accreditation body, and compliance with the Pennsylvania code prohibiting discrimination against students or parent applicants. While
out-of-state schools do not have to be approved by the PA Department of Education, they must be degree-granting and not-for-profit. Nursing schools located outside of the Commonwealth must also be approved to do business by their state approval authority.

To ensure continued eligibility and that the institution’s Master Agreement and records with PHEAA remains up to date, schools are required to contact us within 30 days if they undergo changes that may impact their participation status in the program. A few examples of changes include when the name, location, headquarters, or holding and control group officially changes. Failure to report ownership changes, regardless of the level at which they occur, could result in a Program Review finding for the institution.

Another example in which PHEAA should be notified is when the school changes status. Let’s review status changes on the next slide.

**Slide 5 - School Requirements continued**

As mentioned, status changes that occur at the institution must also be reported to PHEAA. Status changes include if a school changes from a for-profit to a non-profit institution, or, if a two-year degree granting institution plans to begin offering four-year degrees. It is important that these changes be reported to PHEAA as they require system updates on our end for disbursement, processing, and student awarding purposes. Please keep in mind that significant status changes may also require approval through your accreditors, as well as the state licensing authority, prior to seeking approval from the U.S. Department of Education.

Your status changes must be reported to PHEAA prior to May 1st for the Summer term and prior to August 1st for the academic year. These deadlines are in place to minimize the impact that the changes may have on your school or student awards.

Schools that have branch campuses have the ability to have these different campuses processed separately for State Grant purposes. Institutions are not required to report all additional locations to PHEAA, but may report them if the location processes aid separately from the main campus and/or meets the definition of branch campus as outlined in the Federal Student Aid or FSA Handbook.

Chapter 1 also covers eligibility for school locations outside of the Commonwealth. Consistent with the guidance provided in recent years, for the 2018-19 Academic Year and 2019 Summer, State Grant Program funds are limited to eligible students attending schools in states that permit their awards to come to Pennsylvania. The list of reciprocal states currently includes Delaware, District of Columbia, Massachusetts, Ohio, Vermont, and West Virginia.
Effective with the 2018-19 Academic Year, the location of an institution will play a crucial role in determining student and program of study eligibility. For students enrolled primarily online, State Grant eligibility will be determined by whether they attend an institution which is headquartered and domiciled in the Commonwealth. An institution is considered headquartered and domiciled, or HQD, when its principal physical location is in Pennsylvania and the institution is either headquartered and incorporated, or headquartered and chartered within the Commonwealth. If the institution is owned by a parent company, that company must also be headquartered and domiciled in Pennsylvania.

Institutions that either do not meet these requirements or have not submitted the appropriate documentation for PHEAA to evaluate the status are considered non-headquartered and domiciled or Non-HQD schools.

If you are unsure of your school’s HQD status, check the FG3Y display in OC/WebConnect. In a few moments, we will review how the HQD status relates to approved programs of study, but first let’s go over some basic program of study requirements.

Eligible programs of study must meet the minimum requirement of at least two academic years in duration, offered over a period of at least 15 calendar months, and be comprised of no less than 60 weeks of instruction.

The two academic year requirement is defined as a minimum of at least 60 semester, or 90 quarter credits for a degree program. For programs leading to an Associate’s Degree in Specialized Technology, or an Associate’s Degree in Specialized Business, the requirement is 1,500 clock hours of instruction. Non-degree programs require at least 1,800 clock hours.

While different programs may use different standards, once the standard is selected, schools should continue to use the approved standard. For example, if the program is approved at your school by our Compliance Office as a credit hour program, then it should only be measured in credit hours.

Act 5 of 2018 was signed into law by Governor Wolf in February of 2018. The passage of Act 5 allows PHEAA to integrate distance education into the State Grant Program, and therefore, allows schools which meet the headquartered and domiciled status requirements, to have programs of study with more than 50% online instruction to be approved for the State Grant Program. This effectively eliminates the previous program structure requirements for HQD institutions only.
For institutions that are not headquartered and domiciled in Pennsylvania, the programs of study must continue to meet the previous program structure requirements. This means that for State Grant approval, programs at Non-HQD schools must be structured to provide at least 50% classroom instruction. Programs with more online than classroom coursework are ineligible for State Grant approval. Hybrid programs, however, that contain a combination of classroom and online instruction may be eligible, as long as they contain no more than 50% online coursework. If the hybrid program offers less than 50% instruction in the classroom, or if the program allows a student to choose whether to attend online or in-class, it is considered to be online, and not eligible for approval for the State Grant Program due to the institution type. Please keep in mind that ADA, or Americans with Disabilities Act, accommodations are not applicable for students enrolled in primarily online programs of study at Non-HQD schools. More information on the appropriate application of the ADA accommodation is available in Chapter 2 of the Handbook.

**Slide 9 - Approved Program of Study**

Programs at approved two-year private, two-year public, and four-year degree granting institutions are eligible, so long as they meet, and continue to meet all other program criteria. This means that no additional reporting needs to be performed at these institutions, when new programs are added or existing programs are changed.

Hospital Schools of Nursing should keep PHEAA updated on any program structure changes that may occur. This reporting is critical, as it may impact how awards for your students are processed.

Programs at Business, Trade & Technical Schools on the other hand, are initially approved by PHEAA before becoming eligible for the State Grant Program. These programs are not eligible for the Pennsylvania Targeted Industry Program, due to the differences in program length requirements.

Whenever a previously approved program changes, it must be approved by PHEAA again, in order to maintain eligibility for the State Grant Program. This includes reporting when an existing and approved program of study is now going to be offered as an online program. Additionally, any new programs of study that your school may develop should be approved by PHEAA, if you would like them to become eligible for the State Grant Program. Please keep in mind, that supporting documentation from licensing and accrediting agencies will be required for program approval.

To report changes, contact our Institution Eligibility Team using the phone number provided at the end of the presentation. All changes and new programs will need to be finalized and approved by PHEAA prior to May 1st for the Summer period, and August 1st for the Academic Year. They will also need to be reaffirmed on the subsequent Educational Cost Form.
The final two sections in the Chapter on School and Program eligibility outline requirements for terms. Let’s start with an overview of the term start date ranges.

**Slide 10 - Term Start Dates**

Since no student may receive more than three semesters or four quarter terms of aid in a consecutive 12-month period, school and program structures must comply with the start date ranges outlined in Chapter 1 of the Handbook.

In order to coordinate the disbursement of State Grant funds, schools must annually confirm their academic schedules during the Cost On The Web process. Schools may not create a separate calendar for disbursing State Grant awards. Instead, schools must follow the official academic calendar under which student transcripts are generated. Because the student transcript serves as the official record of enrollment and course completion, aligning the disbursement of State Grant awards with this academic schedule permits accurate assessment of the student’s enrollment status, and also permits a review of academic progress to take place. This is particularly important for students who may transfer to another institution.

For this reason, if your school plans to change your academic schedule from one year to the next, contact SGHelp. While schedule changes of this type that occur between terms of the same academic year are strongly discouraged, they should be communicated to PHEAA as soon as possible and no later than August 1st.

**Slide 11 - Program Length**

Programs of study must also comply with the term length requirements. For clarity, when PHEAA uses the word, “term,” it refers to a period of instructional time that spans from the first day of classes to the last day of final exams.

The regulation section 1 21.1 of the Pennsylvania Code provides term length definitions; however, programs must fall within PHEAA tolerances to be State Grant eligible. For instance, the Pennsylvania Code defines a semester as a period of approximately 17 weeks, normally comprising one half of the academic year. Additionally the code defines a trimester term length as approximately 15 weeks. Since PHEAA treats a trimester the same as a semester, for State Grant purposes, a semester term length may be a minimum of 15 weeks, and a maximum of 18 weeks.

The definition of a quarter term, is approximately 11 weeks and PHEAA accepts a minimum of 10 weeks and a maximum of 12 weeks for the term length requirement.

PHEAA again provides some additional flexibility by allowing an additional 1 to 3 day tolerance to the term length requirement. This means that a term can either have 1 to 3 days less or 1 to 3 days more than the PHEAA defined length. For schools that use modules, or mini periods that
do not span the entire term, the State Grant Handbook provides guidance to assist with meeting the term length requirements.

Schools are permitted to combine multiple modules to meet the term length minimum requirement, but this may require special crediting instructions. In order to combine modules during the academic year, they must be consecutive and comply with the start date ranges. Use of overlapping modules is also permissible as long as the number of weeks from the start of the first module, to the end of the last module meets the minimum and maximum term length requirements.

A final credit can be applied once the student has begun the final module and is verified as meeting all other eligibility requirements. When the student’s enrollment does not meet the term length requirement, schools are required to update the student’s Program of Study code to, “00 Other” in Partner Interface. Transmission users should update, code 1 for Yes Non-Approved or Non-Degree Program, in the term Non-Approved or Non-Degree Indicator, on the Certification Transmission.

However, effective with the 2 thousand 17 18 Academic Year, if a student initially enrolls for modules that, when combined, meet the term length requirement, a withdrawal from one or more of those modules during the term does not impact term length, nor does it automatically eliminate student eligibility. More information on withdrawal situations during modules is available in Chapter 3, Costs and Award Adjustments.

Lastly, let’s review the Summer term length requirements on the next slide.

**Slide 12 - Term Length: Summer**

For the Summer term, the term length requirement depends on whether the school has a year-round curriculum. For these schools, Summer term length requirements are the same as those for the academic year. This typically applies to all Business, Trade, and Technical, or BTT schools, since these programs operate on year-round schedules.

For schools without a year-round curriculum, the length of the Summer term must be a minimum of five weeks. When the Summer State Grant Application becomes available in March, it will include a question to ask students who are not attending BTTs or Hospital Schools of Nursing if their Summer term meets the 5-week minimum requirement.

Students who answer “no” to this question will be rejected for enrollment that does not meet the minimum term length requirements. As with the normal academic year, multiple modules may be combined during the Summer to meet term length requirements. But unlike the academic year, the modules do not need to be consecutive.
Again, students who are enrolled in multiple modules during the Summer term may not be credited the State Grant award until eligibility and enrollment is verified after the start of the final module which comprises the Summer term.

Now let's finish up the presentation with some resources made to assist you with administering the State Grant Program.

**Slide 13 - SGSP Resources**

In conclusion, we would like to refer you to some resources that will assist you in managing the State Grant Program. On our training page, you will find the most recent version of the State Grant Program Handbook in addition to user guides, tutorials, FAQ documents, and various one-page resources. You will also find resources to assist you with the other PHEAA-administered programs.

In Alec, you will find links to the Document Library and PageCenter. PageCenter is our reporting repository and contains student and institutional reporting for your school. Within the Document Library, you will find copies of correspondence that was sent to schools throughout the year, in addition to technical resources such as our Online Roster Certification Form and our clock-hour conversion spreadsheet.

If you would like to contact us, PHEAA staff is available at 1-800-443-0646. You may also outreach to us via email to share your questions and concerns, or to express your feedback. Your feedback in writing will help us to share your input with the appropriate staff. If you have questions about institution eligibility for the State Grant Program, please call 717-720-2470.

**Slide 14 - Thank you**

Thank you for listening to the overview of the State Grant School and Program Eligibility requirements. Again, please be sure to review the current program handbook and other resources to ensure your understanding of these requirements and others that govern the program.