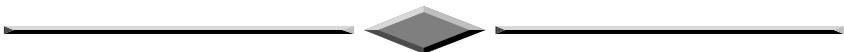


Economically Disadvantaged and Completion Rate Appeal



QUALIFYING

What is an economically disadvantaged rate?

An economically disadvantaged rate is the percentage of the students enrolled in a school's Title IV eligible programs who are eligible to receive at least half the maximum Federal Pell Grant award or who have an adjusted gross income below the poverty level.¹

Please refer to page 205 for a more in depth discussion of how to calculate an economically disadvantaged rate.

What is a completion rate?

A completion rate is the percentage of a school's regular students that completed their program of study, as defined in the Higher Education Act of 1965, as amended (HEA) § 435(a)(4)(A)(ii).

Please refer to page 209 for a more in depth discussion of how to calculate a completion rate.

¹ HEA § 435(a)(4)(A)(i)

Which schools are eligible to submit an economically disadvantaged and completion rate appeal?

To file an exceptional mitigating circumstances appeal based on **economically disadvantaged and completion rates**, a school must²:

- be **subject to sanctions**;
 - be a **degree-granting** school;
 - demonstrate that at least 66 ²/₃ percent of its students came from **economically disadvantaged backgrounds** as defined in HEA § 435(a)(4)(A)(i);
- AND
- demonstrate that at least 70.0 percent of its regular students **completed their programs of study** as defined in HEA § 435(a)(4)(A)(ii).

The checklist on the next page summarizes the eligibility criteria for an economically disadvantaged and completion rate appeal.

Q . What if the school is not sure whether it is classified as a degree-granting or non-degree-granting school?

A . A school should refer to its Eligibility and Certification Approval Report generated by the Department's Case Management Division.

If additional assistance is needed in making this determination, please contact the Case Management Division at 202-205-0183.

Q . What is a regular student?

A . A regular student is defined as a person who is enrolled, or accepted for enrollment, at an institution for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by that institution as defined in 34 CFR § 600.2.

² HEA § 435(a)(4)(A)



Economically Disadvantaged and Completion Rate Appeal Eligibility Checklist

To be eligible to submit an economically disadvantaged and completion rate appeal, a school must meet ALL of the following criteria:

- The school is subject to one or more of the following sanctions:
 - initial loss of eligibility to participate in the FFEL Program and/or Direct Loan Program and Federal Pell Grant Program;
 - extended loss of eligibility to participate in the FFEL Program and/or Direct Loan Program and Federal Pell Grant Program;AND/OR
 - possible action to limit, suspend, and/or terminate (LS&T) participation in one or more Title IV Student Financial Assistance Programs.
- The school is a **degree granting** school that:
 - enrolls at least 66⅔ percent of its students from economically disadvantaged backgrounds as defined in HEA § 435(a)(4)(A)(i);AND
 - can demonstrate that at least 70.0 percent of its students completed their programs as defined in HEA § 435(a)(4)(A)(ii).

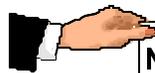
An economically disadvantaged and completion rate must be based on which cohort period?

A school must base its economically disadvantaged and completion rate on its most recent cohort period (in this case FY 1997).³ The 12-month period on which the school's appeal is based must end within the six months preceding FY 1997.

Please refer to page 146 for more information on selecting an acceptable 12-month period.

How can an economically disadvantaged and completion rate appeal affect a school's loss of eligibility to participate in Title IV Student Financial Assistance Programs?

If a degree granting school submits a successful economically disadvantaged and completion rate appeal, the Department will withdraw its notification of loss or extension of loss of the school's eligibility to participate in the FFEL Program and/or Direct Loan Program and Federal Pell Grant Program.⁴ In addition, the Department will NOT initiate an action to limit, suspend, or terminate the school's participation in any or all of the Title IV Student Financial Assistance Programs due to the school's official cohort default rate.⁵



Note

A successful exceptional mitigating circumstances appeal does NOT change a school's official cohort default rate. Therefore, if a school submits a successful economically disadvantaged and completion rate appeal, the Department will only withdraw its notification that the school is subject to loss for one year. If the school's subsequent cohort default rate is once again equal to or greater than 25.0 percent, the school will be notified that it is once again subject to loss of FFEL Program and/or Direct Loan Program and Federal Pell Grant Program eligibility. The school may then choose to submit another economically disadvantaged and completion rate appeal based on the most recent cohort period.

³ HEA § 435(a)(4)(A)

⁴ 34 CFR § 668.17(c)(5)

⁵ 34 CFR § 668.17(a)(5)

How is the economically disadvantaged rate calculated?

The **economically disadvantaged rate**⁶ is calculated as follows:

100	X	<p>number of regular students enrolled on at least a half-time basis in a Title IV eligible program during the selected 12-month period who were eligible to receive at least one-half the maximum Federal Pell Grant award or who had an adjusted gross income less than the U.S. Department of Health and Human Services poverty level during an award year/ calendar year that overlaps the selected 12-month period</p>
		<p>number of regular students enrolled on at least a half-time basis in a Title IV eligible program during a selected 12-month period</p>



Note

A school must select a 12-month period that ends during the six months immediately preceding FY 1997. Information on how to select an acceptable 12-month period is provided on page 146 in the "Exceptional Mitigating Circumstances Appeal" section.

As a part of a successful exceptional mitigating circumstances appeal, a school must have an economically disadvantaged rate of at least $66\frac{2}{3}$ percent.

⁶ HEA § 435(a)(4)(A)(i)

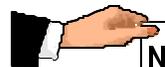
Example: College University had a total of 250 students enrolled on at least a half-time basis in a Title IV eligible program during an acceptable 12-month period. Of those 250 students, 80 students received at least one-half the maximum Federal Pell Grant award and 100 different students had an adjusted gross income less than the U.S. Department of Health and Human Services poverty level during an award year/calendar year that overlaps the selected 12-month period by at least one day. College University’s economically disadvantaged rate is calculated as follows:

100	X	80 (Pell) + 100 (AGI) = 180	72.0%
		250	

Which students are included in the denominator of the economically disadvantaged rate calculation?

To be included in the denominator of the economically disadvantaged rate, a student must have been—

- enrolled in a Title IV eligible program;
- AND
- enrolled on at least a half-time basis for one or more days during the selected 12-month period.⁷



Note

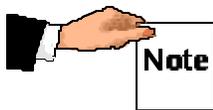
A student’s entire enrollment period does not have to fall within the selected 12-month period. A student who enrolled **prior** to the 12-month period but completed/withdrew **during** the 12-month period is considered to have been enrolled during the 12-month period. In addition, a student who enrolled **during** the 12-month period but completed/withdrew **after** the 12-month period is considered to have been enrolled during the 12-month period. Finally, a student that enrolled **prior** to the 12-month period and continued to be enrolled until **after** the 12-month period is considered to have been enrolled during the 12-month period.

⁷ HEA 435(a)(4)(A)(i)

Which students are included in the numerator of the economically disadvantaged rate?

To be included in the numerator of the economically disadvantaged rate, the student must first be included in the denominator of the rate. If a student is included in the denominator of the economically disadvantaged rate and meets either of the following conditions, the student will be included in the numerator of the economically disadvantaged rate:

- the student has an expected family contribution (EFC) of 1200 or less for an award year that overlaps the 12-month period selected by the school;⁸

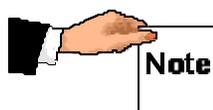


A student with an EFC of 1200 or less is considered to be eligible to receive at least one-half of the maximum Federal Pell Grant award.

OR

- the student has an adjusted gross income and family size that is below the U.S. Department of Health and Human Services poverty level for a calendar year that overlaps with the 12-month period selected by the school.⁹

Please refer to page 225 for the poverty level guidelines established by the U.S. Department of Health and Human Services.



In order for a student to be included in the numerator of the economically disadvantaged rate, the student's applicable expected family contribution or adjusted gross income must be associated with an award/calendar year that overlaps the 12-month period chosen by the school.

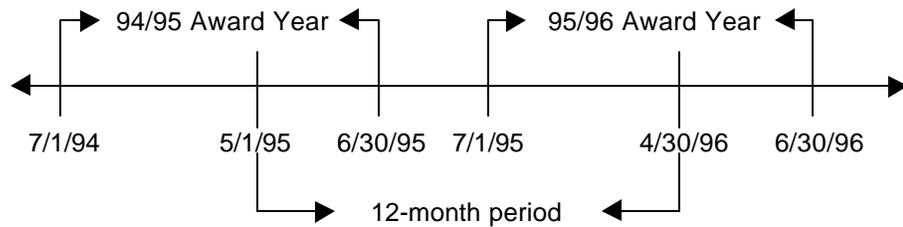
⁸ HEA 435(a)(4)(A)(i)(I)

⁹ HEA 435(a)(4)(A)(i)(II)

How does a school determine if an award year overlaps the selected 12-month period?

An award year begins on July 1 of one year and ends on June 30 of the next year. An award year overlaps a 12-month period if any portion of the award year overlaps any portion of the 12-month period.

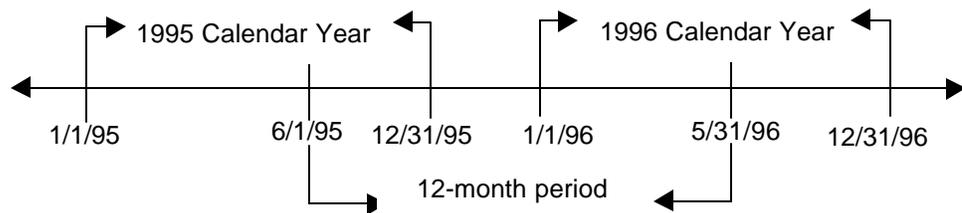
Example: Forrest University selected May 1, 1995, through April 30, 1996, as its 12-month period. The 1994/95 and 1995/96 award years overlap the selected 12-month period. Therefore, Forrest University can use estimated family contributions associated with both award years to determine if students are economically disadvantaged.



How does a school determine if a calendar year overlaps the selected 12-month period?

A calendar year overlaps a 12-month period if any portion of the calendar year overlaps any portion of the 12-month period.

Example: Lane University selected June 1, 1995, through May 31, 1996, as its 12-month period. The 1995 and 1996 calendar years overlap the selected 12-month period. Therefore, Lane University can use adjusted gross incomes associated with both calendar years to determine if students are economically disadvantaged.



How is the completion rate calculated?

The **completion rate**¹⁰ is calculated as follows:

100	X	<p>number of regular students, included in the denominator of the completion rate calculation who <i>either</i>:</p> <ul style="list-style-type: none"> ◆ received degrees; ◆ transferred to higher level programs; ◆ at the end of the 12-month period, remained enrolled and making satisfactory academic progress toward completion of their educational programs; <p>AND/OR</p> <ul style="list-style-type: none"> ◆ entered active duty in the U.S. Armed Forces within a year of leaving the school.
		<p>number of regular students who were initially enrolled on a full-time basis in a Title IV eligible program and were originally scheduled to complete their programs during the same 12-month period selected for the economically disadvantaged rate.</p>
		<p> Note A school must select a 12-month period that ends during the six months immediately preceding FY 1997. Information on how to select an acceptable 12-month period is provided on page 146 in the "Exceptional Mitigating Circumstances Appeal" section.</p>

As part of a successful economically disadvantaged and completion rate appeal, a school must have a completion rate of at least 70.0 percent.

¹⁰ HEA § 435(a)(4)(A)(ii)

Example: College University had a total of 300 regular students initially enrolled on a full-time basis in a Title IV eligible program that were originally scheduled to complete their programs during the 12-month period used to determine the economically disadvantaged rate. Of those 300 students, 80 students received degrees, 70 students transferred to higher level programs, 45 students were making satisfactory academic progress toward completion of their educational programs at the end of the 12-month period, and 45 students entered active duty in the U.S. Armed Forces within a year of leaving the school. College University's completion rate is calculated as follows:

$$100 \times \frac{80 + 70 + 45 + 45 = 240}{300} = 80.0\%$$

Which students are included in the denominator of the completion rate calculation?

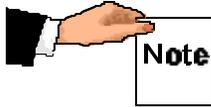
To be included in the denominator of the completion rate calculation, a regular student must have been—

- **initially enrolled** on a full-time basis;¹¹
 - enrolled in a **Title IV eligible program**;
- AND
- **scheduled to complete** his/her program of study during the same 12-month period used to calculate the economically disadvantaged rate.

Q . What is a regular student?

A . A regular student is defined as a person who is enrolled, or accepted for enrollment, at an institution for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by that institution as defined in 34 CFR § 600.2.

¹¹ HEA § 435(a)(4)(A)(ii)



Even though the same 12-month period is used to calculate both the economically disadvantaged and completion rates, the students included in the denominator of each rate will **not** be the exact same group of students. Students who were **enrolled** during the 12-month period and qualify to be included in the denominator of the economically disadvantaged rate may not have been **scheduled to complete** their programs during the same 12-month period (i.e., the denominator of the completion rate).

Which students are included in the numerator of the completion rate?

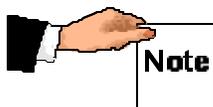
In order to be included in the numerator of the completion rate, the regular student must first be included in the denominator of the rate. If the student is in the denominator of the completion rate and meets any of the following criteria, the student is included in the numerator of the completion rate:

- the regular student received a degree;

Example: A regular student who received a degree on September 9, 1997, qualifies to be included in the numerator of the completion rate if the student was included in the denominator of the completion rate.

- the regular student transferred to a higher level program;

Example: A regular student that transferred to a higher level program on April 15, 1996 qualifies to be included in the numerator of the completion rate if the student was included in the denominator of the completion rate.



The student's graduation and/or transfer date does **NOT** need to fall within the selected 12-month period. Only the student's original scheduled to complete date must fall within the selected 12-month period.

- the regular student remained enrolled and was making satisfactory academic progress at the end of the 12-month period used to calculate the completion rate.

Example: A regular student remained enrolled and held a GPA of 3.8 at the end of the 12-month period.

AND/OR

- the regular student entered active duty in the U.S. Armed Forces within one year of leaving the school.

What is an independent auditor's attestation?

A school's economically disadvantaged and completion rate appeal must be reviewed and attested to by an independent auditor.

The report of the independent auditor must state whether, in the auditor's opinion, the school's management's written assertions demonstrated exceptional mitigating circumstances based on the economically disadvantaged and completion rate criteria. The report must also indicate if management's written assertions are fairly stated in all material respects. The engagement, which forms the basis of the independent auditor's opinion, must be an examination-level compliance attestation engagement performed in accordance with the American Institute of Certified Public Accountant's (AICPA) Statement on Standards for Attestation Engagements, Compliance Attestation (AICPA, Professional Standards, Volume 1, AT sec. 500), as amended, and Government Auditing Standards issued by the Comptroller General of the United States.

TIMING AND SUBMITTING

How does a school prepare and submit an economically disadvantaged and completion rate appeal?

Timing is critical when submitting an economically disadvantaged and completion rate appeal.

Step 1: Within **30 calendar days** of receiving official notification that the school is subject to sanctions, **review the school's official cohort default rate notification letter and this Guide to determine if the school is eligible** to submit an economically disadvantaged and completion rate appeal.

Please refer to page 202 for a detailed discussion regarding which schools are eligible to appeal based on economically disadvantaged and completion rates.

Step 2: If a school is eligible to submit an economically disadvantaged and completion rate appeal, **within the time frame described in Step 1** (i.e., **within 30 calendar days** of receiving notice that the school is subject to sanctions), **submit a letter to the Department** at the address on page 224 that indicates that the school intends to submit an economically disadvantaged and completion rate appeal.

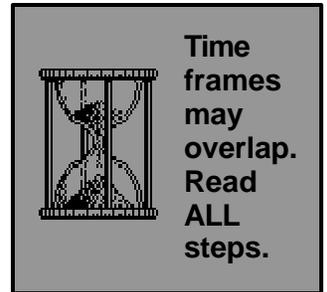
Use the sample **Notice of Intent to File An Economically Disadvantaged and Completion Rate Appeal** cover letter on page 227 or its equivalent.

Step 3: Prior to **60 calendar days** after receiving notice that the school is subject to sanctions, a school **must develop a written assertion for submission to the school's independent auditor that demonstrates that the school's economically disadvantaged rate is at least 66 $\frac{2}{3}$ percent.**

The school's written assertion should be developed using the sample **Economically Disadvantaged Rate** spreadsheet on page 231 or its equivalent and must include the following:

- the school's name and OPE ID Number;
- the 12-month period on which the school is basing its economically disadvantaged rate;

For information on selecting an acceptable 12-month period, please refer to page 146 in the "Exceptional Mitigating Circumstances Appeal" section.



- the Social Security numbers, in numerical order, of all the school's students enrolled in a Title IV eligible program on at least a half-time basis during any part of the selected 12-month period;

 **Note** These are the students that will be included in the denominator of the economically disadvantaged rate.

- the student's name;
- the beginning and ending **enrollment dates** for each student [include the month, day and year (MM/DD/CCYY)];

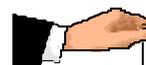
 **Note** No student should be counted more than once in the calculation, even if the student re-enrolled.

- an X next to the student's name if the student is from an economically disadvantaged background as defined on page 207;

 **Note** These are the students that will be included in the numerator of the economically disadvantaged rate.

- if the student is from an economically disadvantaged background, either:

- ❖ the student's expected family contribution and applicable award year;

 **Note** The expected family contribution must be 1200 or less for an award year that overlaps the selected 12-month period in order for the student to qualify as economically disadvantaged.

OR

Q . Which award years/calendar years coincide with a selected 12-month period?
A . An award year/calendar year coincides with a 12-month period if the award year/calendar year overlaps the 12-month period by at least one day.

Please refer to page 208 for a more in depth discussion on coinciding award years and calendar years.

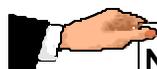
- ❖ the student's, and if applicable the student's parents'/spouse's adjusted gross income, family size, and applicable calendar year.

**Note**

The annual gross income and family size must be less than the U.S. Department of Health and Human Services poverty levels for a calendar year that coincides with the selected 12-month period in order for the student to qualify as economically disadvantaged. The U.S. Department of Health and Human Services' poverty levels are shown on page 225.

Step 4: Within the time frame described in Step 3 (i.e., prior to 60 calendar days after receiving notice that the school is subject to sanctions), a school must calculate the school's economically disadvantaged rate and include the rate on its written assertion.

- Count the number of students identified as economically disadvantaged on the spreadsheet. **These are the students that will be included in the numerator of the economically disadvantaged rate.**
- Count the number of students listed on the spreadsheet. **These are the students that will be included in the denominator of the economically disadvantaged rate.**
- Divide the total number of students from economically disadvantaged backgrounds (i.e., the numerator) by the total number of students listed on the spreadsheet (i.e., the denominator) and multiply the result by 100. **This is the school's economically disadvantaged rate.**

**Note**

As part of a successful appeal, the school's economically disadvantaged rate must be at least $66\frac{2}{3}$ percent.

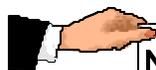
Step 5: Within the time frame described in Step 3 (i.e., prior to 60 calendar days after receiving notice that the school is subject to sanctions), a school must **develop a written assertion for submission to the school's independent auditor that demonstrates that the school's completion rate is at least 70.0 percent.**

The school's written assertion should be developed using the sample **Completion Rate** spreadsheet on page 233 or its equivalent and must include the following:

- the school's name and OPE ID Number;
- an indication that the same 12-month period is being used for the school's completion rate as was used for the school's economically disadvantaged rate;
- the Social Security numbers, in numerical order, of all the school's regular students who were:
 - ❖ **initially enrolled** on a full-time basis;
 - ❖ **enrolled in a Title IV eligible program;**

AND

 - ❖ **originally scheduled to complete** their program of study during the selected 12-month period.



Note

These are the students that will be included in the denominator of the completion rate calculation.

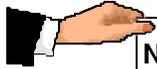
Please refer to page 210 for a more in-depth description of the students that should be included in the school's completion rate calculation.

- the regular student's full name;

Q . What is a regular student?

A . A regular student is defined as a person who is enrolled, or accepted for enrollment, in an eligible program at an institution for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by that institution as defined in 34 CFR § 600.2.

- the date that each regular student **was originally scheduled at the time of enrollment** to complete his or her program of study;



Note The original scheduled to complete date for a full-time student will be based on the amount of time normally required by a full-time student to complete the program, as specified in the school's enrollment contract, catalog, or other materials.

- the beginning and ending **enrollment dates** for each regular student;
- an X next to the regular student's name if the student meets the following conditions:



Note These are the students that will be included in the numerator of the completion rate.

A regular student is considered to have successfully completed the program if:

- ❖ the regular student received a degree at the school;
- ❖ the regular student transferred from the school to a higher level educational program;
- ❖ the regular student remained enrolled at the school at the end of the selected 12-month period and was making satisfactory academic progress toward completion of his or her educational program;

OR

- ❖ the regular student entered active duty in the U.S. Armed Forces within a year of leaving the school.

Please refer to page 211 of this section for a more detailed discussion of which students are considered successfully completed.

- for each regular student successfully completing the program because the student received a degree from the school, the **date a degree was received**;

- for each regular student successfully completing the program because the student transferred to a higher level educational program,

- ❖ the **student's program of study** at the school the student transferred from (do NOT use abbreviations);

- ❖ the **date the student transferred**;

- ❖ the **name and address of the school** to which the student transferred;

AND

- ❖ the **name of the higher level educational program to which the student transferred**. Do NOT use abbreviations;

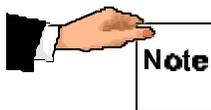
- for each regular student that successfully completed the program because the student remained enrolled and was making satisfactory academic progress at the end of the selected 12-month period, the **student's GPA**;

AND

- for each regular student that successfully completed the program because the student entered active duty in the U.S. Armed Forces within a year of leaving school, **the date the student entered the U.S. Armed Forces.**

Step 6: **Within the time frame described in Step 3** (i.e., prior to 60 calendar days after receiving notice that the school is subject to sanctions), a school must **calculate the school's completion rate and include the rate on its written assertion.**

- Count the number of regular students that received a degree, transferred to a higher level program, maintained satisfactory academic progress, or entered active duty in the U.S. Armed Forces within a year of leaving school. **These are the students who will be included in the numerator of the completion rate.**
- Count the number of regular students listed on the spreadsheet. **These are the students who will be included in the denominator of the completion rate.**
- Divide the total number of regular students successfully completed (i.e., the numerator) by the total number of regular students listed on the spreadsheet (i.e., the denominator). **This is the school's completion rate.**



As part of a successful appeal, the school's completion rate must be at least 70.0 percent.

Step 7: **Within the time frame described in Step 3** (i.e., prior to 60 calendar days after receiving notice that the school is subject to sanctions), a school **must submit the school's Economically Disadvantaged Rate and Completion Rate written assertions to the school's independent CPA for review.**

- The independent CPA should perform a review and provide a report that states whether, in the auditor's opinion, the school's management's written assertions demonstrated exceptional mitigating circumstances based on the economically disadvantaged and completion rate criteria.

- The auditor's opinions must indicate if management's written assertions are fairly stated in all material respects.
- The engagement which forms the basis of the independent auditor's opinion must be an examination-level compliance attestation engagement performed in accordance with the American Institute of Certified Public Accountant's (AICPA) Statement on Standards for Attestation Engagements, Compliance Attestation (AICPA, Professional Standards, Volume 1, AT sec. 500), as amended, and Government Auditing Standards issued by the Comptroller General of the United States.
- The attestation must be in the form of a letter with—
 - ❖ the school's name;
 - ❖ the school's OPE ID number;
 - ❖ the fiscal year to which the appeal applies;
 - ❖ the auditor's opinions on management's assertions;

AND

 - ❖ the independent auditor's signature, followed by a signature block providing the signer's name and title.

An independent auditor should use the sample **Independent Auditor's Attestation** letter on page 235.

Step 8: Within **60 calendar days** of receiving notice that the school is subject to sanctions, **a school must submit the following to the Department** at the address on page 224:

- a cover letter using the sample **Economically Disadvantaged and Completion Rate Appeal** cover on page 229;

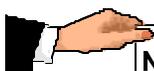


- **a copy of the school's written assertions**
which includes:
 - ❖ a list of students who are included in the economically disadvantaged rate using the sample **Economically Disadvantaged Rate** spreadsheet created in Step 3;
 - AND
 - ❖ a list of regular students who are included in the completion rate using the sample **Completion Rate** spreadsheet created in Step 5.
 - AND
- **the auditor's opinions** on management's assertions.

The Department recommends that the school submit its properly completed economically disadvantaged and completion rate appeal in a single, tabbed binder, and mail it return receipt requested or via commercial overnight delivery. The recommended tabs and materials are shown on the next page.

The following material should be sent to the Department's Default Management Division at the address shown on page 223.

<p>The section behind Tab 1 contains:</p> <p>A letter on the school's letterhead with—</p> <ul style="list-style-type: none"> ◆ the school's OPE ID number; ◆ a statement indicating that the school is submitting an exceptional mitigating circumstances appeal based upon its economically disadvantaged and completion rates; ◆ the current fiscal year to which the appeal applies; ◆ a certification sentence that indicates that the information provided in the appeal, under penalty of perjury, is true and correct; <p>AND</p> <ul style="list-style-type: none"> ◆ the signature of the school's President/ CEO/Owner, followed by a signature block providing the signer's name and job title <p>Schools should refer to the sample Economically Disadvantaged and Completion Rate Appeal cover letter on page 229.</p>	<p>Tab 1</p>
<p>The section behind Tab 2 contains:</p> <p>The school's written assertion on its economically disadvantaged rate.</p> <p>Schools should use the sample Economically Disadvantaged Rate spreadsheet on page 231 and detailed instructions on how to create the spreadsheet on page 230 to develop the written assertion.</p>	<p>Tab 2</p>
<p>The section behind Tab 3 contains:</p> <p>The school's written assertion on its completion rate.</p> <p>Schools should use the sample Completion Rate spreadsheet on page 233 and detailed instructions on how to create the spreadsheet on page 232 to develop the written assertion.</p>	<p>Tab 3</p>
<p>The section behind Tab 4 contains:</p> <p>The auditor's opinions on the school's management's written assertions.</p> <p>Please refer to the sample Independent Auditor's Attestation letter on page 235.</p>	<p>Tab 4</p>

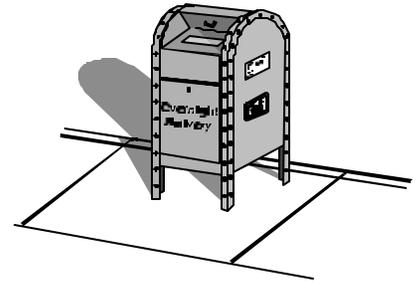


Note

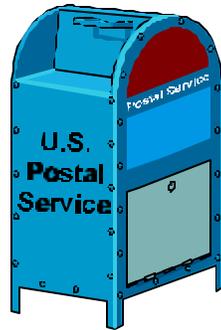
The Department will not consider information submitted after the 60 calendar day deadline. The Department will send the school written notification of its decision. **The Department's decision is final and no further administrative review is provided.**

If sent by commercial overnight mail/courier delivery, send the school's economically disadvantaged and completion rate appeal to:

U.S. Department of Education
Default Management Division
ATTN: Economically Disadvantaged and
Completion Rate Appeal
ROB-3, Room 3905
7th and D Streets, SW
Washington, DC 20407



If sent by U.S. Postal Service, send the school's economically disadvantaged and completion rate appeal to:



U.S. Department of Education
Default Management Division
ATTN: Economically Disadvantaged and
Completion Rate Appeal
Portals Building, Room 6300
400 Maryland Avenue, SW
Washington, DC 20202-5353



Note

The Department will not accept any appeal correspondence by facsimile (fax) or e-mail.

The Department recommends that a school send all appeal correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to a school if it is asked to authenticate the timeliness of its appeal. A school should maintain the documentation which verifies the receipt of the appeal related material. In addition, a school should retain copies of all documentation submitted as a part of the appeal process.

U. S. Department of Health and Human Services Poverty Levels Based on Family Size			
State	Year	Family Size	
		One person	Each additional person
Alaska	1993	\$8,700	+\$3,080
	1994	\$9,200	+\$3,100
	1995	\$9,340	+\$3,200
	1996	\$9,660	+\$3,280
Hawaii	1993	\$8,040	+\$2,820
	1994	\$8,470	+\$2,850
	1995	\$8,610	+\$2,940
	1996	\$8,910	+\$3,010
All Other States	1993	\$6,970	+\$2,460
	1994	\$7,360	+\$2,480
	1995	\$7,470	+\$2,560
	1996	\$7,740	+\$2,620

Sample **Notice of Intent to File An Economically Disadvantaged and Completion Rate Appeal** Cover Letter



College University

1212 Wedgewood Lane
Leonardtown, Wisconsin 12345-6789
(123) 456-7890

Sample Letter

October 20, 1999

U.S. Department of Education
Default Management Division
Attn: Economically Disadvantaged and Completion Rate Intent
ROB-3, Room 3905
600 Independence Avenue, S.W.
Washington, D.C. 20202-5353

OPE ID#: 222111

Subject: FY 1997 Notice of Intent to File An Economically Disadvantaged and Completion Rate Appeal

Dear Default Management Division:

College University, **OPE ID# 222111**, intends to file an FY 1997 exceptional mitigating circumstances appeal based on our economically disadvantaged and completion rates.

Sincerely,

Robert Young

Robert Young, President

Enclosures

Sample **Economically Disadvantaged and Completion Rate Appeal** Cover Letter



College University

1212 Wedgewood Lane
Leonardtown, Wisconsin 12345-6789
(123) 456-7890

November 19, 1999

Sample Letter

U.S. Department of Education
Default Management Division
Attn: Economically Disadvantaged and Completion Rate Appeal
ROB-3, Room 3905
600 Independence Avenue, S.W.
Washington, D.C. 20202-5353

OPE ID#: 222111

Subject: FY 1997 Economically Disadvantaged and Completion Rate Appeal

Dear Default Management Division:

College University, **OPE ID# 222111**, is submitting its FY 1997 exceptional mitigating circumstances appeal based on our economically disadvantaged and completion rates.

I, the undersigned, certify under penalty of perjury, that our economically disadvantaged rate is 72.0%, our completion rate is 80.0%, and that all other information submitted in support of this exceptional mitigating circumstances appeal is true and correct.

Please see the attached written assertions for the economically disadvantaged and completion rates, along with the independent auditor's attestations on our school's management's assertions.

Sincerely,

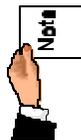
Robert Young

Robert Young, President

Enclosures

Instructions for Economically Disadvantaged Rate Spreadsheet

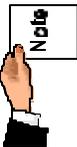
- Count and list the students who will be included in the calculation in the spreadsheet. The spreadsheet should be on 8 ½ "x 11" paper in a landscape (horizontal) layout. A sample spreadsheet follows these instructions.
- Header:** Enter **FY 1997 Economically Disadvantaged Rate** in the center of the header area. In the left-hand area, enter the school's name, the school's OPE ID number, the school's selected 12-month period, the award years, and the calendar years.
- Column 2:** Enter the student's name.
- Column 3:** Enter MM/DD/CCYY (month, day, and year) to identify the student's beginning and ending enrollment dates.
- Column 4:** Enter X if student was from an economically disadvantaged background during the selected 12-month period. Leave blank if student was not economically disadvantaged.
- Column 5:** Fill out Column 5 or Column 6 of the spreadsheet: For each student from an economically disadvantaged background, provide either:
the student's EFC and the **award year associated with the EFC** which coincides with the selected 12-month period (in Columns 5a and 5b)
OR
the student's AGI, family size, and calendar year which coincide with the selected 12-month period (in Columns 6a, 6b, and 6c)



A school must use a 12-month period that ends during the six-month period preceding FY 1997.

- Footer:** Enter the date the written assertion was prepared in the left side of the footer area. Set up automatic pagination in the right side of the footer area so that the specific pages and the total number of page numbers show on each page (example: page 1 of 10 pages).
- On Rows 1, 2, 3, and 4, use the draw tool to draw a rectangle covering lines A1 to F4. Using the text-box tool, draw another box for **Box B** information. In this box, enter the number of economically disadvantaged students (from Column 4)(**B1**), the number of regular students (listed in Column 1)(**B2**), and the school's economically disadvantaged rate (**100 x B1/B2**). See the instructions for Box B.
- On Row 5, enter **exactly** the same column names in exactly the same order as listed on the sample spreadsheet.
- On Row 6 and below, include the following data for each student who will be included in the school's economically disadvantaged rate.
- Column 1:** Enter the student's Social Security Number using hyphens to separate the numbers (example: 000-00-0000) for all the school's students who were enrolled on at or least a half-time basis in a Title IV eligible program during the selected 12-month period. Sort in numerical order when ready to print the spreadsheet.
- Instructions for Box B (located in the shaded area)**
- • Count the number of X's that appear in Column 4. This is **B1** in the calculation. Record this number in Box B of the Economically Disadvantaged Rate spreadsheet. This is the number of students from economically disadvantaged backgrounds.
 - • Count the number of students listed in Column 1. The total number of students will be **B2** in the calculation. Record this number in Box B of the Economically Disadvantaged Rate spreadsheet. This is the number of students enrolled at the school.
 - • Calculate **100 x B1/B2** and record the result in Box B on the Economically Disadvantaged Rate spreadsheet. **This percentage is the school's economically disadvantaged rate.**

Instructions for Completion Rate Spreadsheet

<p>Count and list the students who will be included in the calculation of the school's completion rate using a spreadsheet software application such as Lotus 1-2-3, SuperCalc, or Excel. The resulting spreadsheet must be sent to the Department.</p> <p>The spreadsheet width should be on 8 1/2" x 11" paper in a landscape (horizontal) layout. A sample spreadsheet follows these instructions.</p>	<p>Column 6: Enter the MM/DD/CCYY to identify the date the degree was received for each regular student who met the successful completion conditions by receiving a degree from a school.</p> <p>Column 7a: Enter the program of study for each regular student who met the successful completion conditions by transferring to a higher level educational program. Do NOT use abbreviations.</p> <p>Column 7b: Enter the MM/DD/CCYY to identify the transfer date for each regular student who met the successful completion conditions by transferring to a higher level educational program.</p> <p>Column 7c: Enter the name and address of the school to which the student transferred for each regular student who transferred to a higher level educational program.</p> <p>Column 7d: Enter the name of the higher-level educational program to which the student transferred for each regular student that transferred to a higher level program.</p> <p>Column 8: Enter the GPA for each regular student who met the successful completion conditions by remaining enrolled and maintaining satisfactory academic progress at the school at the end of the selected 12-month period.</p> <p>Column 9: Enter the date the regular student entered the U.S. Armed Forces for each student who met the successful completion conditions by entering into the U.S. Armed Forces.</p>
<p>Header:</p> <p>Enter FY 1997 Completion Rate in the center of the header area. In the left-hand area, enter the school's name, the school's OPE ID number, and the school's selected 12-month period.</p> <p>A school must base the completion rate on the same 12-month period used for the school's economically disadvantaged rate. However, the students contained in each rate will NOT be the same.</p>  <p>Footer:</p> <p>Enter the date the written assertion was prepared in the left side of the footer area. Set up automatic pagination in the right side of the footer area so that the specific pages and the total number of page numbers show on each page (example: page 1 of 10 pages).</p> <p>On Rows 1,2, 3, and 4, use the draw tool to draw a rectangle covering lines A1 to J4. Using the text-box tool, draw another box for Box D information. In this box, enter the number of students who successfully completed their programs (from Column 5) (D1), the number of entries listed in Column 1 (D2), and the school's completion rate (100 x D1/D2). See the instructions for Box D.</p> <p>On Row 5, enter exactly the same column names in exactly the same order as listed on the sample spreadsheet.</p> <p>On Row 6 and below, include the following data for each regular student who will be included in the school's completion rate.</p>	<p>Instructions for Box D (located in the shaded area):</p> <p>••</p> <p>Count the number of Xs that appear in Column 5. The total number of Xs will be D1 in the calculation. Record this number in Box D on the Completion Rate spreadsheet. This is the number of regular students who successfully completed.</p> <p>••</p> <p>Count the number of regular students listed in the Completion Rate spreadsheet by counting the number of entries in Column 1. The total number of regular students will be D2 in the calculation. Record this number in Box D on the Completion Rate spreadsheet. This is the number of regular students who were scheduled to complete their programs during the selected 12-month period.</p> <p>••</p> <p>Calculate 100 x D1/D2 and record the result in Box D on the Completion Rate spreadsheet. This percentage is the school's completion rate.</p>
<p>Column 1: Enter the regular student's Social Security Number using hyphens to separate the numbers (example: 000-00-0000) for all of the school's regular students who meet the conditions identified on page 210. Sort in numerical order when ready to print the spreadsheet.</p> <p>Column 2: Enter the regular student's name.</p> <p>Column 3: Enter MM/DD/CCYY (month, day, and year) to identify the date that each regular student was originally scheduled, at the time of enrollment, to complete his or her program of study.</p> <p>Column 4: Enter MM/DD/CCYY (month, day, and year) to identify the beginning and ending dates of the regular student's enrollment.</p> <p>Column 5: Enter X if the regular student meets one of the successful completion conditions as identified on page 211.</p>	

FY 1997 Completion Rate

School Name: College University
 OPE ID Number: 222111
 12-month Period: 10/1/1995-9/30/1996

Note: This is a sample spreadsheet. (See instructions).

Box D # of Regular Students Who Met Successful Completion Conditions (from Column 5) [D1] # of Regular Students Originally Scheduled to Complete Programs (from Column 1) [D2] Completion Rate [100 x D1/D2]											
1. Student's SSN <small>(sort in numerical order)</small>	2. Student's Name	3. Date that student was originally scheduled to complete program of study <small>(MM/DD/CCYY)</small>	4. Student's enrollment dates <small>(from MM/DD/CCYY to MM/DD/CCYY)</small>	5. If student met the successful completion conditions, enter X	6. Date the student's degree was received <small>(MM/DD/CCYY)</small>	7a. Student's program of study	7b. Date the student transferred to a higher level program <small>(MM/DD/CCYY)</small>	7c. The name and address of the school student transferred	7d. The name and address of the school to which the student transferred	8. The student's grade point average	9. The date the student entered the U.S. Armed Forces <small>(MM/DD/CCYY)</small>
111-11-1111	Judy Jones	02/20/1996	1/15/1995-01/10/1996	X	01/10/1996						
222-22-2222	James Smith	03/26/1996	05/16/1995-07/15/1995								
333-33-3333	Helen Carr	12/06/1995	4/10/1994-present	X					3.8		
444-44-4444	Tony Paine	05/27/1996	6/26/1992-03/10/1995	X		Sociology	03/10/1995	Mind School Erie, ME 55555	Psychology		
555-55-5555	Jim Brown	10/02/1995	10/01/1993-10/05/1995								10/30/1995

Sample Independent Auditor's Attestation Letter



November 18, 1999

Global Accounting

1212 Hickory Lane

Hughesville, Florida 12345-6789

(123) 456-7890

Sample Letter

U.S. Department of Education

Default Management Division

Attn: Economically Disadvantaged and Completion Rate Appeal

ROB-3, Room 3905

600 Independence Avenue, S.W.

Washington, D.C. 20202-5353

OPE ID#: 222111**Subject: Independent Auditor's Attestation**

Dear Default Management Division:

We have examined management's assertions that the information contained in College University's **OPE ID# 222111** exceptional mitigating circumstances appeal based on its economically disadvantaged and completion rates, is complete, accurate and determined in accordance with the requirements of HEA § 435(a)(4)(A). Management is responsible for College University's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the institution's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about College University's compliance with HEA § 435(a)(4)(A) and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on College University's compliance with specified requirements.

In our opinion, management's assertion that the information contained in College University's assertions, which reports that College University has an economically disadvantaged rate of 72.0% and a completion rate of 80.0% for the twelve-month period beginning on October 1, 1995 and ending on September 30, 1996, with the award years 1995/1996 and 1996/1997 and the calendar years 1995 and 1996 is complete, accurate, and determined in accordance with the requirements set forth in HEA § 435(a)(4)(A), is fairly stated, in all material respects.

This report is intended solely for the information of an audit committee, management, and the U.S. Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

Mary Smith

Mary Smith, CPA

President, Global Accounting, Inc.

