

SAP new/conflicting information requirements

SAP calculations are to be performed at established intervals which must coincide with the end of a payment period as prescribed in 34 CFR 668.34(a)(3). You are not required to recheck SAP and/or recalculate as the result of grade changes that occur between formal SAP evaluations.

However, a school may have a policy of recalculating to account for subsequent grade changes. If your school has a policy to recalculate, you may make disbursements of Title IV aid for which the student becomes eligible as a result of the grade changes. However, there are limitations on when a school can make a disbursement in these circumstances:

- For Pell and TEACH Grants, you may only make a disbursement based on a grade change during the payment period immediately following the SAP evaluation that was affected by the change.
- For all other types of Title IV aid, you may only make a disbursement based on a grade change during the academic year in which the SAP evaluation takes place, or, if the evaluation takes place at the end of an academic year, during the academic year following that SAP evaluation.

For example, consider a student who was deemed ineligible for Title IV aid in the spring term due to failing an SAP evaluation at the end of the fall. If the school changes the student's grades during the spring term, it could pay the student Pell or TEACH Grant funds for the spring. However, if the school decided to change the student's grades after the spring term ended, it could not disburse Pell or TEACH Grant funds to the student for the spring term.

Schools should **not** alter aid already disbursed to students based on SAP evaluations that were accurate at the time they were performed. For example, consider a student who was deemed eligible for Title IV aid in the spring term after passing a SAP evaluation that included incomplete classes, but the school changes those incomplete grades to failing grades during the spring term. Had the student failed those courses prior to the SAP evaluation, he or she would have failed the evaluation and been ineligible for aid during the spring term. However, in this situation, the school should not return the student's Title IV aid for the spring term because the student was eligible on the basis of a SAP evaluation that was accurate at the time it was performed.

Whether or not your school has a policy of rechecking SAP between evaluation points, any grade changes must be accounted for in the next scheduled SAP evaluation. Although schools have the option of recalculating SAP due to grade changes, these changes should be a rare occurrence. If changes to student eligibility on the basis of grade changes occur on a regular, consistent basis, FSA may have compliance concerns.

Financial aid warning

Only schools that check satisfactory progress at the end of each payment period may place students on financial aid warning as a consequence of not making satisfactory progress. A school may use this status without appeal or any other action by the student. Warning status lasts for one payment pe-