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Session 109

Distance Education

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Session Outline

- General background on distance education
- Statutory and regulatory constraints on providing Title IV aid
- Evidence from the Distance Education Demonstration Program



General Background

- Distance education has been around a long time to serve non-traditional students
- Delivery modes have proliferated with changes in technology
- Extraordinary growth in online learning for both distance education and residential students



Types of Institutions

- Public institutions more likely to have DE courses/programs than private non-profit institutions
- Increased activity in private, for profit, degree-granting institutions
- Vocational and technical schools slower to move into new forms of distance education



Who are the Students?

- Non-traditional students who may
 - Be older students who have delayed enrollment*
 - Attend part-time*
 - Work full-time*
 - Be considered financially independent*
 - Have dependents*
 - Be a single parent*
 - Return to complete a degree that was interrupted
 - Have completed a first degree and are seeking additional skills, certification or graduate training



What is Non-traditional Today?

- Almost three-quarters of undergraduates had at least one of the marked characteristics in 1999-2000
- There are about as many highly nontraditional students (4 or more characteristics) as there are traditional students
- Majority attend public 2-year and private for-profit institutions

Source: Condition of Education 2002



DE Enrollment 1999-2000

- About 1.4 million undergraduates (around 8%)
 - Of these 59% took course(s) over the Internet
- Almost 2 million Master's students (around 12%)
 - Of these 68% took course(s) over the Internet
- Nearly 75% are as satisfied, or more satisfied, with DE courses as with regular classes.

Source: National Postsecondary Student Aid Survey 1999-2000



NCES Reports Best Source of Data

- NCES report *Distance Education at Postsecondary Education Institutions: 2000-01* expected January 2003
- Previous reports in 1994-95 and 1997-98
- Website <http://nces.ed.gov>



Trends

- Rapid growth in enrollments for distance education programs
- Online courses and hybrid courses are proliferating
- Substantial increases in onsite students taking distance education courses
- Explosion of statewide “virtual universities”



Definitions

To start off with we should note that the laws and regulations governing the Title IV programs do not use the term “distance education” but rather use the terms “telecommunications” and “correspondence.”



Definitions

Telecommunications Course

Generally, a course that is delivered primarily through the use of technology- television, audio or computer transmission (such as open broadcast, closed circuit, cable, microwave, or satellite transmission) and courses offered over the Internet



Definitions

Correspondence Course

- A “home study” course in which instructional materials are primarily paper-based and provided to students via the mail.
- A course in which instruction is provided via video cassettes/video discs is a correspondence course unless the school also provides the same course to students residentially during the same award year.



Definitions

- A telecommunications course is considered a correspondence course if the total telecommunications and correspondence courses are 50% or more of the total courses provided by that school during that award year.
- If a course is part correspondence and part residential it is considered to be a correspondence course.



Definitions

- If a course consists of correspondence and telecommunications elements, it is either correspondence or telecommunications depending upon the **predominant** method of instruction.



Example 1 - Video Cassette and Discs

A school has videotaped English 101 so that students who are studying at home can complete this required course by watching the tapes, submitting assignments and taking a proctored examination. English 101 is also provided residentially to students during the same award year. This course would be considered a telecommunications course.



Example 2 - Video Cassette and Discs

The school also offers History 302 via video cassette, with a proctored examination and several assignments. This is a specialized course that has low enrollments, so it is not provided residentially to students during this award year. This course would be considered a correspondence course.



Example - 3 *Correspondence* *and Residential*

A school offers a truck driving program. The first part of the program is offered via correspondence. For the remainder of the program the student has to attend a residential site where he or she actually learns how to drive trucks. This program is considered to be a correspondence program.



Example - 4 ***Correspondence and*** ***Telcommunications***

A school offers a correspondence course with an associated website, email contact with the instructor and optional computer conferencing for communication with other students. The course content on which the student will be tested is contained in the print materials. The website contains additional references and resources. In this case, the course would be a correspondence course.



Example –5 Correspondence and Telecommunications

A school offers a course that consists of 12 online modules and an online discussion forum that students must access 3 times a week. Students must complete two papers, which can be submitted electronically or through the mail, and five examinations with Scantron answer sheets that must be submitted to the school through the mail for grading. This course would be considered a telecommunications course.



Contracting Out

A school is not considered to provide an educational program if the school does not provide instruction itself, but merely gives credit for instruction provided by other schools; examinations provided by agencies or organizations; or other accomplishments such as “life experience.”



Contracting Out -Bottom Line

- A school cannot contract out an entire program or establish a program that is made up entirely of courses that a student takes at another school(s);
- Programs at virtual universities are not eligible unless the school offers some courses towards the program itself; and



Contracting Out- Remember

A school can never contract out more than 25% or 50% of a program to an ineligible entity (such as a computer training company, a medical facility, a publishing company, a truck driving company, etc.) – see General Provisions regulations 34 CFR 668.5



Example 6 - Contracting Out

- School A contracts with eligible School B who will provide all of the coursework and faculty for an IT program. This program, which will be delivered via the Internet, is not provided residentially by School A during that award year and School A does not provide any of the courses required for this degree.
- This program is not an “educational program” offered by School A since it does not provide any of the instruction needed for this program.



Example 7 - Contracting Out

A school contracts with a company such that the company will provide all of the coursework for a particular program. This program will be delivered via the Internet and the company will provide not only the program but also the faculty.

This is not an eligible program. A school cannot under any circumstances contract out more than 50% of a program to an ineligible school or organization.



Constraints on Title IV Aid for Correspondence

- Course must be part of a program leading to an associate, bachelor's or graduate degree – no certificate programs
- A correspondence student can never be considered more than half time
- Indirect costs may not be included in cost of attendance for Title IV aid for correspondence portion-- indirect costs only for residential portion of programs



Constraints on Title IV Aid for Correspondence

- Special disbursement rules for Pell
- Dependent on other factors
 - 50% rules related to institutional eligibility
 - Academic program structure may provide significant challenges. These programs are always considered to be non-term and subsequent payments are always dependent on the successful completion of the work already paid for



Constraints on Aid for Telecommunications

- A program must be at least one year in length.
- Dependent on other factors
 - 50% rules related to institutional eligibility
 - Academic program structure may provide significant challenges



50% Institutional Eligibility Rules

- If an institution offers **more than 50%** of its courses by correspondence, the institution loses its eligibility.
- If **50% or more** of an institution's students are enrolled in its correspondence courses, the institution loses its eligibility.

**Note the difference in wording.*



50% Institutional Eligibility Rules

- Telecommunications courses are considered to be correspondence courses if the sum of the telecommunications courses and other correspondence courses the institutions provided during the award year equaled or exceeded 50% of the total number of courses it provided during that year.



50% Institutional Eligibility Rules

Keep in Mind

- 50% limitation applies to institutions, not programs. A program may be offered entirely through correspondence and still be an eligible program.
- An institution is the sum only of its **eligible** programs.



Student Eligibility

Students are not eligible for Title IV aid if—

- They are enrolled in a certificate program offered via correspondence
- They are enrolled in a program of less than one year that is offered via telecommunications
- They are enrolled in a certificate program offered via telecommunications and their school offers more certificate programs than degree programs



12 Hour Rule

- Applies to nonstandard term and non term and is an attempt to ensure an appropriate amount of instruction for full-time students
- Associated with the setting of an academic year – 12 hours per week over 30 calendar weeks. To have an equivalent amount of instruction when a full time student attends 10 hours per week, the academic year would need to be 36 calendar weeks
- Additional difficulties for distance education courses



Primary Purposes of Constraints

- To limit the amount of Title IV aid that is provided to institutions that are fundamentally correspondence and/or telecommunications schools.
- To limit the amount of Title IV aid that is provided to institutions that offer primarily certificate programs and that are using correspondence or telecommunications delivery modes.
- To allow telecommunications students and courses to be treated like residential students and courses under certain conditions.



Primary Purposes of Constraints – Bottom Line

- Limits Title IV eligibility to institutions whose primary mode of instruction is classroom-based.
- Virtual universities are not eligible.
- Schools with large number of distance education courses and/or programs may not be eligible.
- Schools with large number of students enrolled in a correspondence program may not be eligible.



Primary Purposes of Constraints - Remember the Context

- 50% rules were among a number of rules that were put in place in the 1992 reauthorization of the HEA
 - Many fraudulent correspondence schools
 - High default rates
 - Precipitous school closures
 - Trend toward reduction in instructional time



Types of Institutions

- Type 1: Offer only certificate programs
- Type 2: Institutions that offer more certificate than degree programs.
- Type 3: Offer more degree programs than certificate programs.



Website Address

Refer to website to determine how the 50% rules apply to your institution--

<http://www.ed.gov/offices/OPE/PPI/DistEd/reports.html>

Under “Guidance”, click on “Determining Compliance with the 50% Institutional Eligibility Rules, NASFAA July 2002”



Distance Education Demonstration Program

- Test quality and viability of expanded distance education programs
- Increase access
- Help determine:
 - Most effective means of delivery distance education
 - Statutory and regulatory changes needed
 - Appropriate level of student assistance



Program Structure

- Two cohorts of participants – currently 24
- Statutory Waivers
 - 50% rules
 - 12 hour rule
- Regulatory waivers – general provisions

<http://www.ed.gov/OPE/PPI/offices/DistEd>



Barriers: Multiple Start Dates

- Standard 15-week terms that begin 3x a year combined with embedded mini terms of 8 weeks in length
 - up to 6 starts per year
 - remains standard term
- Add semester length courses that begin in the middle of each term
 - up to 9 starts per year
 - overlapping terms
 - nonterm



Multiple Start Dates

- Sequential enrollments (one course at a time)
 - Weekly starts
 - Nonterm
- Rolling enrollments
 - Student may begin any day of the year
 - Generally self-paced courses (correspondence or online)
 - Student may have up to a year to complete, or be required to complete in the number of weeks in a standard term
 - May be standard term or nonterm



Some Consequences of Nonterm

- Commercial software designed for standard terms
- 12 hour rule applies
- Assumption that student is full-time for Pell purposes.
- Successful completion of coursework before another disbursement can be made



Illustration Related to “Successful Completion”

- First quarter – 3 online courses; one correspondence course.
 - Student successfully completes the online courses by the end of the quarter
 - Student is halfway through the correspondence course
- Second quarter – Student wants to enroll in 1 online and 2 correspondence courses.
- Cannot get aid for second quarter; falls behind one term



Assumption Underlying “Program” Concept

- Faulty assumption that programs consist of courses of a single type
- Students may earn the same degree by very different means.
- Increasingly meaningless to define program by delivery mode.



Year-Round Enrollment

Academic Models

- Independent study/Individualized learning plans
- Terms run continuously through the year
- Sequential courses – one at a time

Barrier

- “Continuous enrollment” for academic degree programs not addressed in Title IV law & regs.
- Presume applicability only to short-term vocational training programs
- Challenge to devise ways to provide some flexibility



Concurrent Courses on Different Calendars

- Two plus two programs
- Degree programs comprised of courses from two or more institutions

Barriers

- Systems typically not integrated
- Institutional policies on payment of tuition
- Labor-intensive communications and manual processing



Competency-based

- Program competencies
 - No credits; successful completion of multiple assessments
 - May take courses in order to prepare for competency assessments
- Course competencies
 - Opportunity to “test out” of some modules
 - Differing amounts of time to complete course



Approach Confronts Core Concepts

- Financial aid laws and regulations are rooted in time.
- Competency approach raises questions
 - Defining enrollment status, program length, academic year
 - Measuring academic progress
 - Accounting for living expenses
- Annual limits on Pell and loan preclude acceleration



Student-based Delivery System

■ Principles

- Students should be able to begin and complete courses on a schedule that best meets their needs
- Students should be able to take courses in formats that best meet their needs
- Awarding of aid should be tied to standards of academic progress, not arbitrary measures of time



Common Concepts

- “Term” and “enrollment status” replaced with other indicators of progress toward degree completion (“assessments” or “credits earned”)
- Multiple disbursements on a just-in-time basis
- Disburse direct costs as credit hours are attempted
- Indirect costs paid on the basis of time elapsed



Fraud and Abuse

- Online admission and registration systems may provide opportunity for student fraud
- Need for investment capital may lead school to make its financial position appear stronger than it is
- Rapid growth in enrollments may overwhelm system checks



Diploma Mills

- Proliferation of diploma mills with rise in online DE
- Common descriptors
 - Require no substantive work
 - Grant bogus degrees
 - Claim unrecognized accreditation
 - Make false claims concerning acceptance of degrees
 - Sell qualifications (degree based on experience)
 - Do not insure students are properly qualified
 - Require no appropriate academic achievement
- Undermine quality claims of legitimate institutions



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