



Policy Changes Approved April 21, 2011

Unified Student Loan Policy

Batch 174: Proposal 1229

The nation's guarantors provide the following summaries to inform schools, lenders, and servicers of the latest *Common Manual* policy changes. These changes will appear in the manual's next annual update. These changes will also be incorporated into the *Integrated Common Manual*. The *Integrated Common Manual* is available on several guarantor websites, and it is also available on the *Common Manual's* website at www.commonmanual.org. Please carefully note the effective date of each policy change.

State Authorization

The *Common Manual* is being revised to conform to a final rule change published in the *Federal Register* dated October 29, 2010. Manual language is being revised to provide that in order to participate in Title IV programs, a school must be established or legally authorized by a state to provide postsecondary educational programs to students in the state. The state must have a process to review and appropriately act on complaints concerning the school including enforcing applicable state laws. State requirements are categorized by the Department on the basis of a school's authority to operate. The policy includes certain exemptions from this provision. Revised policy also requires a school to provide a student with the name of its accrediting agency, state, federal or tribal licensing and/or authorization entity, and applicable contact information for filing a complaint with each accreditor and state approval or licensing entity, as well as any other relevant state official or agency that would appropriately handle a student's complaint. The changes also add a new glossary definition for "state authorization".

Affected Sections:

- 4 School Participation**
 - 4.1 Institutional Eligibility**
 - 4.1.C Maintaining Eligibility**
 - 4.1.D Loss of Eligibility**
 - 4.4.B Student Consumer Information**
- 17.3.A The Preliminary Review**
- Appendix G**

Effective Date: School eligibility on or after July 1, 2011.

Basis: §600.4; §600.5; §600.6; §600.9; *Federal Register* dated October 29, 2010, pp. 66858-66868 and 66946-66947.

Policy Information: 1229/174

Guarantor Comments: None.