INSTITUTIONAL REQUIREMENTS

Institutions participating in the Title IV, HEA programs must meet basic eligibility criteria. Among other things, an institution must:

► Be authorized by the State in which it is located to provide an educational program that is beyond secondary education,
► Be accredited by an accrediting agency recognized by the Secretary to accredit schools that wish to participate in the Title IV, HEA programs,
► Provide at least one eligible program, and
► Admit as regular students only persons who have a high school diploma or equivalent, or are beyond the age of compulsory school attendance in the State where the school is located.

Eligible institutions must demonstrate that they are financially responsible. The Department determines whether an institution is financially responsible based on, among other things, the institution’s ability to:

► Provide the services described in its official publications and statements;
► Properly administer the Title IV programs in which the school participates; and
► Meet all of its financial obligations.

Institutions must also meet certain minimum administrative capability standards. These standards require that an institution have, among other things:

► A capable individual responsible for administering all of the Title IV, HEA programs;
► A system of internal checks and balances for administering federal student financial aid;
► A division of functions for determining student awards and disbursing funds that result from those award decisions;
► Frequent, periodic reconciliation of fiscal office and financial aid office award data;
► A system to identify and resolve discrepancies in information the institution receives from various sources about a student's application for financial aid;
► A satisfactory academic progress policy for recipients of federal student financial aid;
► Procedures to ensure that requests for federal cash do not exceed the amount of funds the institution needs immediately to make aid disbursements to students;
► A policy for refunding tuition when a student withdraws from classes;
► A process to ensure that the institution submits its required annual financial statements on time;
► A process to ensure that the institution submits its required annual compliance audit on time; and
► A process to notify the Department within 10 days of any changes in the institution’s status or operations as required by regulation.
The Department makes available on-line resources that may be of assistance to institutions in the daily management of the Title IV programs as well as in preparing for a program review. These can be found at http://ifap.ed.gov.

1 The term “member” refers to “reviewers” or “review team” and encompasses any SPT member who might be involved in conducting a program review. The terms “reviewers,” and “review team” are used interchangeably throughout this Guide.