

Appendix B:

AB 789 Crosswalk with Federal Regulations

E C 69432.7(l)(4) By the start of the 2024–25 academic year, the institution shall develop and implement policies defining “satisfactory academic progress” in a manner that is consistent with the federal standards published in Title 34 of the Code of Federal Regulations. The institution shall also comply with all of the following requirements:

Section	Text	Relationship to federal law
4(A)	Set the standards for grade point average and pace of completion at the minimum federal standards as determined by Section 668.34(a) of Title 34 of the Code of Federal Regulations.	Direct reference to federal law.
4(B)	Provide information to students about the institution’s “satisfactory academic progress” standards and financial aid appeals process during new student orientation and include student-friendly language on the institution’s internet website and financial aid award letters regarding the standards and appeals process. The institution shall request its faculty to include student-friendly language on course syllabi regarding the standards and appeals process.	No federal regulations or guidance currently exist regarding how SAP policies must be communicated to students.
4(C)	Notify a student when the student has not achieved the “satisfactory academic progress” standards following every term of enrollment, regardless of the frequency at which “satisfactory academic progress” is formally evaluated. This subparagraph does not preclude an institution from conducting the formal evaluation annually.	Institutions must evaluate SAP either: • At the end of each payment period if the educational program is either one academic year in length or shorter than an academic year; or • For all other educational programs, at the end of each payment period or at least annually to correspond with the end of a payment period; (668.34(a)(3)) There is no language that prohibits institutions that evaluate SAP annually from communicating information regarding progress to students with greater frequency. FSA Handbook: “You may review SAP via satisfactory progress checks more frequently, (for example, monthly), but the more frequent reviews are considered informal checks and cannot replace the review that is required to be conducted at the end of the payment period.” (2022/23 Volume 1, Chapter 1)

Section	Text	Relationship to federal law
4(D)	Evaluate whether a student satisfies the grade point average and pace of completion standards set forth in subparagraph (A) based on cumulative measures. An institution shall not require a student to satisfy the minimum grade point average and pace of completion standards for each individual term. This paragraph does not preclude an institution from requiring a student on “financial aid probation” as defined by Section 668.34(b) of Title 34 of the Code of Federal Regulations to comply with the terms of the student’s academic plan in order to maintain financial aid eligibility.	<u>GPA</u>: Institutions must: • have a policy that specifies the grade point average (GPA) that a student must achieve at each evaluation, and • have a policy that specifies, for students enrolled in an educational program of more than two academic years, that at the end of the second academic year the student must have a GPA of at least a “C” or its equivalent, or have academic standing consistent with the institution’s requirements for graduation. (668.34(a)(4)) <u>Page of progression</u>: Institutions’ policies must: • Specify the maximum time frame as a period that is no longer than 150 percent of the published length of the educational program. (668.34(b)) • Provide that at the time of each evaluation a student must be successfully completing his or her educational program at the required pace to complete the program within the maximum timeframe (668.34(a)(5), 668.34(a)(7) & 668.34(b)) FSA Handbook: “Each component may include a payment period–based standard but are required to include a cumulative standard.” (2022/23 Volume 1, Chapter 1)
4(E)	Exclude remedial coursework from maximum timeframe calculations if the institution offers remedial coursework.	Federal regulations related to a maximum timeframe specify that “In making this calculation, the institution is not required to include remedial courses.” (668.34(a)(5)(ii)) FSA Handbook: “You may include, but aren’t required to include, remedial courses when making the assessment of the quantitative component of SAP.” (2022/23 Volume 1, Chapter 1)

Section	Text	Relationship to federal law
4(F)	Allow a student who fulfills the terms and conditions of the student's academic plan to remain on "financial aid probation" as defined by Section 668.34(b) of Title 34 of the Code of Federal Regulations, including continuing to receive financial aid for any term for which the student fulfills the terms and conditions of the student's academic plan. <i>Note: this provision is designed to ensure that institutions do not limit the number of terms a student can continue to receive aid if they are fulfilling the terms of their academic plan.</i>	An institution may disburse funds to a student on financial aid probation if the student appeals the determination; and (A) The institution determines that the student should be able to meet the institution's satisfactory academic progress standards by the end of the subsequent payment period; or (B) The institution develops an academic plan for the student that, if followed, will ensure that the student is able to meet the institution's satisfactory academic progress standards by a specific point in time. 668.34(c)(3) & 668.34(d)(2)(iii) A student on financial aid probation may receive Title IV, HEA program funds for one payment period. While a student is on financial aid probation, the institution may require the student to fulfill specific terms and conditions such as taking a reduced course load or enrolling in specific courses. At the end of one payment period on financial aid probation, the student must meet the institution's satisfactory academic progress standards or meet the requirements of the academic plan developed by the institution and the student to qualify for further Title IV, HEA program funds; 668.34(a)(8)(ii)



Section	Text	Relationship to federal law
4(G)	In the case of a “satisfactory academic progress” determination for a transfer student, when calculating maximum timeframe as defined by Section 668.34(b) of Title 34 of the Code of Federal Regulations, only include those credits from other institutions that count towards the student’s current program of study.	The policy must describe how a student’s GPA and pace of completion are affected by transfers of credit from other institutions. Credit hours from another institution that are accepted toward the student’s educational program must count as both attempted and completed hours. 668.34(a)(6) Your policy must explain how GPA and pace of completion are affected by incomplete courses, withdrawals, and repetitions, and by transfer credits from other schools. Generally, all periods of the student’s enrollment count when assessing progress, even periods in which the student did not receive Title IV funds. However, only transfer credits that count toward the student’s current program must be counted (as both attempted and completed hours; credits not counted toward the student’s program may also be counted at your school’s discretion, as described in your SAP policy). (FSA Handbook, 2022/2023 Vol. 1, Ch 1) Q. When determining SAP, is it permissible to only include coursework applicable to the student’s program in the qualitative calculation, while including all coursework in the quantitative calculation? A. Normally, coursework assessed must be the same for both qualitative and quantitative measures. However, in the case of a transfer student, all of a student’s credits accepted towards the new program must be counted in the quantitative measurement, but transfer credits are optional in the qualitative measurement. You are not required, for instance, to factor in grades from other institutions into students’ GPA at your school. (FSA Handbook, 2022/2023 Vol. 1, Ch 1)
4(H)	Accept both electronic and hard copy financial aid appeals for any student who is ineligible to receive financial aid due to the determination that the student did not meet “satisfactory academic progress,” as defined by the institution where the student is enrolled, subject to all of the following:	Institutions that permit students to appeal must describe in their policy “How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs” 668.34(a)(9)(i) There are no additional requirements related to how the appeals policy is structured.

Section	Text	Relationship to federal law
4(H)(i)	A student who loses financial aid eligibility may appeal the determination during any subsequent term following loss of financial aid eligibility. The institution shall not limit the total number of appeals that may be submitted by a student throughout the duration of the student's enrollment. The institution may limit the number of appeals per term, but each appeal that is denied shall be subject to the second review process pursuant to clause (vi). The institution shall not impose deadlines for submitting an appeal that are earlier than three weeks before the end of each term.	Institutions that permit students to appeal must describe in their policy "How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs" 668.34(a)(9)(i) There are no additional requirements related to how the appeals policy is structured. ED FAQ APP-Q1: How many times may a student appeal a failure to make SAP? APP-A1: The regulations do not limit the number of times a student may appeal.



Section	Text	Relationship to federal law
4(H) (ii)	A student who previously disenrolled while being ineligible to receive financial aid may appeal the loss of financial aid upon reenrollment, and the timing for consideration of the appeal shall allow the student, if the student meets the criteria for financial aid reinstatement, to qualify for reinstatement upon the first term of reenrollment	Institutions that permit students to appeal must describe in their policy "How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs" 668.34(a)(9)(i) A student on financial aid probation may receive title IV, HEA program funds for one payment period. While a student is on financial aid probation, the institution may require the student to fulfill specific terms and conditions such as taking a reduced course load or enrolling in specific courses. At the end of one payment period on financial aid probation, the student must meet the institution's satisfactory academic progress standards or meet the requirements of the academic plan developed by the institution and the student to qualify for further title IV, HEA program funds; 668.34(a)(8)(ii) (3) For the payment period following a payment period during which a student was on financial aid warning, the institution may place the student on financial aid probation, and disburse title IV, HEA program funds to the student if – (i) The institution evaluates the student's progress and determines that student did not make satisfactory academic progress during the payment period the student was on financial aid warning; (ii) The student appeals the determination; and (iii)(A) The institution determines that the student should be able to meet the institution's satisfactory academic progress standards by the end of the subsequent payment period; or (B) The institution develops an academic plan for the student that, if followed, will ensure that the student is able to meet the institution's satisfactory academic progress standards by a specific point in time. (4) A student on financial aid probation for a payment period may not receive title IV, HEA program funds for the subsequent payment period unless the student makes satisfactory academic progress or the institution determines that the student met the requirements specified by the institution in the academic plan for the student. 668.34(c)(3–4)

Section	Text	Relationship to federal law
4(H) (iii)	The institution shall provide a student who is ineligible to receive financial aid with written notice of the financial aid appeals process, including the process for a student to file an appeal, information about the second review process for an appeal that is denied as described in clause (vi), and how a student may request a second review.	Institutions that permit students to appeal must describe in their policy "How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs" 668.34(a)(9)(i) There are no additional requirements related to how the appeals policy is structured.
4(H) (iv)	In reviewing a student's appeal, the institution may consider any additional special circumstances that the institution deems appropriate, and shall consider a broad range of special circumstances, including, but not limited to, any of the following: (I) Death of a relative or other significant person. (II) Injury or illness, including, but not limited to, behavioral health conditions, of the student or a relative or other significant person. (III) Pregnancy or birth of a child. (IV) Homelessness. (V) Loss of childcare. (VI) Loss or change in employment. (VII) Loss of access to personal or public transportation. (VIII) Being a victim of a serious crime, including, but not limited to, domestic abuse, even if the crime was not reported or did not result in criminal prosecution or civil liability. (IX) Natural disaster. (X) Change of major.	Institutions that permit students to appeal must describe in their policy "The basis on which a student may file an appeal: The death of a relative, an injury or illness of the student, or other special circumstances." 668.34(a)(9)(ii) "Your policy may permit that for students who change majors, credits and grades that do not count toward the new major will not be included in the satisfactory progress determination." (FSA Handbook, 2022/2023 Vol. 1, Ch 1)
4(H) (v)	The institution shall review a student's appeal and notify the student of the appeal decision within 45 days of submission of a complete appeal. The institution shall not disenroll a student for nonpayment of tuition and fees while the student's appeal is pending.	Institutions that permit students to appeal must describe in their policy "How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs." 668.34(a)(9)(i) There are no additional requirements related to how the appeals policy is structured.

Section	Text	Relationship to federal law
4(H) (vi)	The institution shall provide a second review process for an appeal that is denied if requested by the student. The second review shall be conducted by a reviewer who did not participate in the first review.	Institutions that permit students to appeal must describe in their policy "How the student may reestablish his or her eligibility to receive assistance under the title IV, HEA programs" 668.34(a)(9)(i) There are no additional requirements related to how the appeals policy is structured.
4(H) (vii)	The institution shall waive any requirement for third-party written documentation of the special circumstances forming the basis of an appeal if that documentation cannot be reasonably obtained by the student and the student signs a statement attesting to the veracity of the special circumstances presented as the grounds for appeal.	Institutions that permit students to appeal must describe in their policy "Information the student must submit regarding why the student failed to make satisfactory academic progress, and what has changed in the student's situation that will allow the student to demonstrate satisfactory academic progress at the next evaluation." 668.34(a)(9)(iii) FSA Handbook: "Your school determines the process and documentation required for an appeal." (2022/23 Volume 1, Chapter 1) ED FAQ APP-Q2: What documentation is required for a student appeal? APP-A2: That is up to the institution. An institution may choose to request additional documentation when a particular student circumstance warrants it. The institution may decide to require more extensive documentation on an initial appeal and an update statement on a subsequent appeal.
4(H) (vii)	This subparagraph shall not be interpreted to require institutions to provide retroactive financial aid for a term preceding the term in which a student reenrolls .	