



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

JUL 20 2011

GEN-11-14

Subject: Implementation of Program Integrity regulations

Summary: This letter provides guidance on one area of the final regulations published on October 29, 2010, addressing program integrity issues: the Return of Title IV Funds.

Dear Colleague:

On October 29, 2010, the Department published in the Federal Register final regulations on program integrity issues (75 FR 66832). The final regulations are available at <http://www.ifap.ed.gov/eannouncements/110110PubFinalRulesforTitlveIVStudentAidPrgms.html>. These final regulations make a number of changes to the regulations governing the programs authorized by the Higher Education Act of 1965, as amended (HEA). The regulations are generally effective July 1, 2011, except for revisions to Subpart E of part 668 of the Student Assistance General Provision regulations, Verification and Updating of Student Aid Application Information, which are effective July 1, 2012.

The enclosure to this letter provides additional guidance on one area of these final regulations: the Return of Title IV Funds—i.e., the provisions governing the treatment of Title IV, HEA grant and loan funds when a student withdraws from an institution. This guidance is provided to assist institutions with understanding the changes to the regulations in this area, and does not make any changes to the regulations. Affected parties are responsible for taking the steps necessary to comply by the effective dates established by the final regulations.

The Return of Title IV Funds regulations at 34 CFR §668.22 were amended in two areas:

- The treatment of Title IV, HEA program funds when a student withdraws from a program offered in modules; and
- The definition of an institution that is required to take attendance for Title IV, HEA program purposes.

We encourage you to review the preambles to the notice of proposed rulemaking (75 FR 34824-34825, June 18, 2010) and the final regulations (75 FR 66892-66902, Oct. 29, 2010) addressing the Return of Title IV Funds changes, as well as the final regulations themselves (75 FR 66951-66952, Oct. 29, 2010).

We thank you for your continued cooperation as we work to implement these regulations.

Sincerely,

Eduardo M. Ochoa

1990 K ST. N.W., WASHINGTON, DC 20006
www.ed.gov

Enclosure