

Male:

We have a couple of questions I want to start the session with, and just some items that we've been talking about in FSA about for a few minutes – actually a few weeks now. I want to make sure that we've got things clear and just something for you to ponder. When you have a chance to think about it, if we have time at the end of the session we can open it up for discussion and we'll talk about the core topics then. If not, just go ahead and go to the foreign schools desk at the ____, which is Bay Hill 21 and 22. You can come in and they're immediately on the right hand side.

The questions are for general information about federal student aid, would you prefer to have specific products that speak to students who want to travel abroad, to do their education abroad? Right now we have studentaid.ed.gov and they're just a piece that explains if you want to go abroad for your studies. Would you prefer to have a specific product for that where the student would find that, and the other information about eligibility would be duplicated in a separate product, or would it be okay to be a subpart of the existing domestic product?

The other question is as far as training, if we were to create training products, for instance FSA Coach is currently available in a foreign institutions version and a domestic institutions version. Would you like us to keep that separate or do you want that to be tied in to the domestic institutions? Everybody's shaking their heads right now. Let's just go ahead and take care of that one right now. You want to keep your own foreign school's coach? That's unanimous, Joe. We don't have to have any more discussion on that one. Fantastic.

So we do have our wonderful Byron Scott who's a training officer who's presented a couple of sessions with you in the back of the room. He is going to be handling our microphone duties, since this session is being recorded, so we can have it for your listening and dancing and dining pleasure later. Also our colleagues in DC, they wanted this recorded so they could hear it later too. Anyway, Byron's going to be handing the microphone around. Because of that, we need to you use a microphone, or if you absolutely will not, we will do our best to repeat the question.

So it is now your chance to visit with David Bergeron and Joseph Smith. Francesca, from the University of Birmingham.

Audience:

This just continues, so I don't know who it goes to. David, you mentioned about the new student aid doc website and it having a dedicated search engine for international schools. Speaking to the

___ in that session, they said the foreign school team were currently looking at that information that was going to be put in the foreign schools section. Can I ask who's doing that? Is it the whole team section and is anyone who's from a foreign school reviewing the information, or is there any way we can review it and have input?

David Bergeron: Joe is seriously making a note right now.

Joe Smith: We have published that on the studentaid.ed.gov site, information for students for internet who want to do international study. We've given them some information for students who want to do that on a study-abroad basis, and also students who want to take a degree or certificate course or credential with you directly. We just put that up a few months ago, actually, toward the end of September. We're gonna be adding additional information to it when we get information in from foreign graduate medical schools so we can have information available to students who are considering enrolling in a graduate medical program overseas.

And we certainly would like to hear your feedback if you think that we skipped something over or it could be improved by including additional information. We would certainly be happy to include that.

Audience: We don't have a checklist. Everyone else does.

Joe Smith: You don't have a checklist for what?

Audience: For applying for a foreign or international school. Because I think one of the things we wanted to mention, and we've said this several times before, is when students complete their FAFSA we get an email saying your information's been sent to the school and the school will now contact you. For many foreign schools that's not the case. We need students to reach out and approach us.

Joe Smith: I see. So you need a checklist for the next recommended steps for the students to take. I understand.

Audience: I just thought it would be a nice addition to see _____ study.

Male: She kicked it off for everybody else. It's your chance now. Don't be shy. Raise your hands.

David Bergeron: [*Crosstalk*] consumer information session. You have a lot of questions about that.

Male: I'll say we had one from earlier regarding return title for funds too, so I told you if no one brought it up I would try to remember it, but probably it would be better in your words than in mine. Did everybody go blank from this morning? I know the session was at 9:00.

Audience: Was that mine about the U.K. board ___?

Male: It sure was. I was just waiting for someone who could speak first hand to it.

Audience: It was about attendance monitoring. So students coming into the U.K. are required, if they get a four-tired visa under our scheme, to be attendance monitored. Each institution is allowed to do that in their own way. We are quite strict about it. Some only have touch points. We talked about that as well. So I think we're looking for some guidance on [*Crosstalk*].

Male: I'll fill in a few little gaps 'cause I think you gave me the abbreviated version. They didn't have the opportunity to hear that. It's when we were talking about requiring to take attendance. The U.K. border agency requires that they have touch points throughout the program, right, or is it for ___ period or which? It's for the year? It's for their whole program of education. The touch point can be as much as an instructor verifying that you're in your seat or it can be turning in an assignment or something along those lines.

According to what we found in the handbook, it would indicate that that would then indicate they're required to take attendance and we wanted to confirm that.

David Bergeron: If I understand what the border agency requires, we have similar requirements for foreign students studying in the United States. In the circumstances you're describing, that would be foreign students in the U.S. being required to take attendance and those provisions would come into play. So yeah, you'd have to follow those requirements.

Audience: I remember in the training we went to in Puerto Rico we were specifically told that we didn't require attendance if our accreditation board didn't require us to take attendance. That's the way we should judge whether we had that policy or not.

Male: That was in 2010.

David Bergeron: That was in 2010, but more significantly you're a foreign institution in some sense, but in another sense you're not.

Male: The training was in Puerto Rico, but you're from?

Audience: A different country.

Male: She's not even willing to give the country she's from. *[Laughter]*

David Bergeron: In the United States, domestically, he would say the state required it, ___ required it. So in the case of the U.K. example we were just talking about, it's pretty clear that the border agency has a requirement that the institution take attendance for a purpose. We would want that attendance taking to be used in the Title Four context. If you had some similar requirement by a border agency or an agency of your government, just like if it were a state requiring it of a school in the United States, we would expect that you would follow and use that information in determining how to calculate a return Title Four.

Audience: _____.

David Bergeron: Governmental agency. I can't think of anything other than a ___ agency or agency that would applicability, so yeah. There might be other examples, but those are the two clear ones.

Audience: _____.

David Bergeron: If they have – you have to follow the requirements of the border agency and that gives you information that is – you can use when the student leaves.

Audience: Hi, good afternoon. Maybe mine is not a question but more a comment. I would like to have no more sessions about how to calculate the students' loan debt because in ____, I know that the repayment process is part of the guaranty agencies, but it also impacts our – the university through the default rate. I know how to make the calculations and I know that we have to include that information in the consumer information to make it available for the students, but it would be great if we learn a little bit more on how to do that, to know a little bit more about consolidation so that we can talk clearly to the student on new things about that.

When it's been ethical for students to consolidate on that and I think it would be good in my case – I don't know about the others, but I think you should include sessions about that. Thank you.

Male: Can I get a show of hands how many of you would like to have sessions along those lines? So at least half. Any other questions? I know we have some topics that were brought up that we mentioned that we would try to find out and see if you can speak to them. Ah, now people start to raise their hands. Wonderful.

Audience: My question really is the fact that the foreign schools handbook and the audit guide are not available. We are obliged to be compliant with all of your rules and yet we're in the dark most of the time. These products have not been renewed for a long time and it is very frustrating. We can even be talking to our auditors who are saying we can't give you an audit because the audit guide is so out of date. It's unsatisfactory really.

You require us to return things very fast to you, but sometimes we need the product in place in order to fulfill that. So it's a bit of a complaint, really, but it's a frustration if nothing else.

David Bergeron: I'll talk about the audit guide first. The audit guide is not a product of any of us. If I could produce an audit guide you'd have one available, there's no question about that. But that is something that is done by the Inspector General in the agency and they have their work schedule that they comply with that has very little ____ impact.

The foreign school handbook, I don't know how many of you were in the general session the other day, but I guess it was just yesterday morning. Good grief these days go fast. I didn't count how many statutory changes there were. There were more than I can count on a hand. We have a hard time keeping our domestic one up to date because we've been in a cycle of really rapid change in our aid programs.

I would like to say that's gonna stop, but I don't think it's going to. In the United States, and I know it's true in other parts of the country as well and other parts of the world, a lot of pressure on national and local budgets, so Congress is very interested in finding ways to save money and student aid programs to find ways to save money and they impact all of you. We know that and it's something that's a struggle for us to keep up with our products. But point well taken. I absolutely agree that's something we can do better on.

Joe Smith:

Just to the audit point, the expectation is that your auditor is professional and can be made aware of the changes in the laws and regulations through the other documents that the department publishes. The assessment documents contain the most current information. The Dear Colleague letters published by the department, those auditors should be reviewing those. That's actually specified in the foreign school audit guide and I think we need to be conversant with a number of those documents, not just that audit guide. So if you're finding that your auditor is not really up to speed, help them out by showing them what they need to be doing and then maybe thinking about having a different auditor come in.

Audience:

Hi. Thank you. Over the last year we have encountered some quite difficult students and situations that come with these students, and we have enquired many times through our contact with the department about how to try and resolve those issues. Unfortunately, the response we get back is here's the regulation. I totally appreciate the fact that we have to be able to follow the regulation, but sometimes it gets to the point that it's extremely stressful and it would really assist us if we could often get more specific information; just some more guidance to make sure we are being complied.

We had one student case that lasted for about a year. Sleepless nights for about three staff in the office, etc. and just to have some more specific advice or somewhere we could go to help us interpret a regulation as opposed to saying here's your regulation. I appreciate, once again, that it's our responsibility, but sometimes we just need a little bit more assistance. I'm wondering if that's possible, or if I'm just not going to the right contact.

David Bergeron:

I don't know what the particular situation was you were dealing with. You can always reach out to the Foreign Schools Participation Division. We're able to help you understand the regulations and put those regulations into practice with your students. Sometimes we don't always get enough information from a person who is writing to us for us to make a good enough reply. So we may just be able to say here's the general principal or here's the regulation and then you know what else is going on in the background for that student and we figure maybe you can sort it out. But if you still need more information, absolutely come back to us and we'll be happy to work out those issues with you.

Joe Smith: We have a Sharehost email inbox, fsa.foreign.schools.team@ed.gov. You can reach us by phone at +1-202-377-3168.

Audience: I just want to go back to the foreign schools audit guide. Twelve months ago when we sat here we were told there was a draft that was being reviewed before being released. I think that's what's caused confusion of auditors this year. If there's not gonna be a new guide that's fine. There are other resources like I said. But I think what we need is timeframe to say to all auditors when a new guide will be ready.

David Bergeron: That kind of was part of my comment, which is that the schedule is not one that either parts of this organization control. The Inspector General is an independent entity within the department and they schedule their timeline and they don't –

Audience: I think to say it is a draft, though, 12 months ago and 12 months has passed, people were waiting. If there's a draft, it will be soon. That's what's caused the confusion. I mean we really don't know. It should have been we really don't know. But I think it's that false expectation that people were saying, oh it's going to be out soon. I think it was actually said it was going to be January 2012. That date was certainly circulated in the U.K.

I mean it's okay if we can go back and circulate that it's not gonna happen, carry on with the old one. That's fine, but people need an answer one way or the other really.

David Bergeron: My best advice is that as soon as it is finalized and released it will be released and I'm really not in a position to speak to their calendar or their schedule. I'm thinking that perhaps we should be more cautious when we tell you things like that when we can't control the schedule. Point well taken, where we – I think last year when we were all together we anticipated – we were sent a timeline and it clearly wasn't one that was met.

Even between the time we were all together last year and the time that – in January – there were three or so changes in the student paper.

Male: And it may be of small consolation to you, but the domestic school audit guide that covers a lot more schools, was also last year we would have told them that it was going to come out soon and it still hasn't come out either. So your colleagues within the United States share your frustration on this issue. We'd love to be able to

tell you when a new one's coming out and we can't. So probably the best guidance now to use would be we don't know when a new one's coming.

Audience: I was going to make the question that if we, too, request the finance for each student or if we need to make it for all the ones who are applying to our school. If we need to request to you the finance for each student or if we need to do it like in a group. Because we're from Mexico, so we have like five who are interested right now.

Male: You have five prospective students that have made applications but maybe are not – have decided to attend your school?

Audience: Well they just request information.

Male: You should make available consumer information to prospective students about the availability of the aid programs at your institution, but you don't need to make an award of aid to those students until you have the eligibility documents that are necessary and have confirmation that those students are going to be attending your institution.

Audience: But if only one who applied is eligible to get the finance, should we just – probably if there was the five of them, should we need to request to you the finance resource the money for each one or for one.

Male: I think I can answer your question, if I understand it properly. Let's say you have five students. If they all start at the same time and they're all eligible at the same time, you can request the funds for all five of them at the same time. But maybe they're not. Maybe some of their documents come in late. You could request the money five separate times. There's no one way to do it. You can do whatever works best. Maybe at the first disbursement they're all together, but by the second disbursement they all are, either way is fine.

Audience: They need to request the funds for each semester or each January?

Male: The funds should be disbursed on a payment period basis. Depending on how your program is structured, most institutions that are here have a credit hour, semester-based term when classes begin and end at roughly the same time. In that case your academic term is your payment period. So you would make your

disbursements just on the academic term, which is your payment period.

Audience: Hi, pink speaking. I just want to touch base on the consumer information at a glance. The session yesterday raised the fact that for most of us the American students are a small proportion of our student body. The way these regulations currently read, it says for example, "Each school must annually distribute to all enrolled students." In my school's case that would mean I would be telling approximately 45,000 people who really don't need to know, about all of these important requirements for American students. Is it possible to revisit this and get clarification on the wording that all enrolled students for this purpose means all American students?

David Bergeron: Right now I think our reading of our regulations – I think a correct reading of our regulations is it's all students. This is the first time I've heard this issue come up, and they mentioned it to me yesterday and I think I was helpful in saying all students. We're certainly happy to go back and talk about it some more and maybe issue an electronic announcement or a Dear Colleague letter if we find ourselves in a position to be able to change that interpretation.

We do have some specific revisions where Congress has made stipulations between foreign and domestic institutions in terms of some of our requirements, and certainly where they've done that it helps us, but it also constrains us in other areas. So we'll relook at that one because I do think that the language of the statute and the regulation is pretty clear, but there might be some way we can interpret those to mean something different in this particular case. It'll take us a little while to puzzle through that. So be a little patient with us. I won't guarantee a time on it.

Audience: _____.

David Bergeron: It's because you know what happens when you ask a policy official – if they have to give you an answer right on the spot? They say no, and I really don't want to say no, we're not gonna change. We'll look at it.

Audience: My question is regarding the guarantee agencies. I remember two years ago you said that you were making efforts to unify the guarantee agencies for the students so that they can have just one guarantee agency. I'm a little bit concerned because of the three-year calculation of the default rate. Any time a student comes to my office and I see the ____ the student has sometimes four guarantee agencies, it worries me. Sometimes the student is

paying to one guarantee agency, but then the student is not paying to the other guarantee agency. It can affect my default rate. So I would like to know what are the efforts you're doing and what's coming to indentify the guarantee agency for the repayment.

David Bergeron:

So I guess there are two issues that we've got to talk about. First of all, since July 1, 2010 the only federal loans being made are direct loans. So the bank-based loan system in the United States, which involves banks as the lender and guarantee agency as the guarantor of those loans is phasing out. It'll take us five or six years for that to completely wind down.

Over time there'll be fewer guarantee agencies and there will be fewer lenders holding loans, but it's not something where we can click our fingers and make all the guarantee agencies go away over night. They have a statutory requirement on them to do certain things in the loan system in terms of doing default conversion, for example.

We really aren't in a position to make that happen over night. We've been working. We tried over a year ago to try and encourage some consolidation of the guaranteed agency system through a tool that we have available to us. We didn't really have any takers in doing that – any willing partners in that – because it was a voluntary effort on the action on the part of the guarantee agencies who stayed in that.

So we're back at the drawing board to try to think about how to make this work as that bank-based loan system winds down. One of the direct loan advantages in the long term would be there's gonna be one servicer for every borrower. It won't be a guarantee agency that is doing default diversion work, it will be the servicer in the department. Over time that'll resolve this issue, but it is not something where it's going to be magically resolved in a short period of time, unfortunately.

I think as we go forward we will be looking for opportunities to make sure that there is a relationship between a guarantor and a borrower, but again it's not something that is going to be done by magic. We've had some conversations about circumstances in which we could bring them together, but unfortunately it's really after the borrower defaults that we can, in the case of a loan that goes into default, we could call that loan and take that loan from the guarantee agency. But that's too late to solve your problem.

So we're real anxious to figure out a solution for that middle period, but it's not something that's easy because these entities, the lenders and the guarantee agencies, have contractual rights around those debts. Under our law we can't just take those rights away.

Audience: Is it okay to disburse funds for a semester that has passed as long as it's in the same award year? A number of times we've had students, say, come in January that say I thought I'd gotten enough to pay for this semester, but I haven't and now I need to pay my tuition for this current semester and next semester and I've racked up my credit cards or whatever. But that semester has already passed. Is it okay to?

David Bergeron: Just in the last two or three weeks we've issued a Dear Colleague letter that talks about the ability to pay for prior payment periods. It is permissible, but I would encourage you to review that Dear Colleague letter. I don't know the number off the top of my head. Maybe one of my training officer friends knows or I'll look it up while we're sitting here and I'll come back to you with a number.

This is an issue that has come up in the last couple of weeks and so we did a Dear Colleague letter to remind institutions of their ability to award loans for a prior payment period.

Male: If you want to look it up in the handbook, this is a retroactive disbursement which is separate from a late disbursement. A late disbursement could be retroactive, but in that circumstance you're disbursing for fall, it's retroactive and the handbook actually talks, in addition to that Dear Colleague letter, about when it's okay and how to do that.

Audience: Hi. Sorry if it seems like a dumb question. I'm green to the field. Is gainful employment disclosure of information statistics a requirement for foreign schools or is it after a certain threshold of funding that we release?

David Bergeron: The basic question is does your institution offer programs that are subject to a gainful employment requirement, which is that they don't lead to a degree. If they're a certificate program that is subject to the gainful employment requirements, whether a domestic school or foreign school.

Male: However, some of the disclosures you may not have to make because you'll have too few students and so some of that data may not have to be disclosed for a particular program, but in general all

the information would have to be disclosed for any of your certificate programs.

David Bergeron: And just to be clear, that answer I just gave is for a non-profit or public institution, not for a for-profit, which is where the requirement is always gainful employment program. He wanted to make sure I made that clear since I could read your nametag and he couldn't.

Audience: One quick thing. For the gainful employment we were told we don't have to do that because we don't – it's something to do with the fact that we don't house Social Security numbers. We can't keep that information on file for students, so we were exempt from any of the gainful employment reporting. I got an email back from the department of education saying we didn't have to do it because of that.

Male: That might be for reporting, but there's disclosures that are separate from reporting and you are subject to the disclosure requirements.

Audience: This is just a follow up and a quick question on something a couple of questions ago with regard to the issue where a rule that's really meant for American students is maybe gonna apply to 45,000 nationals of the country where the university is located, which obviously is an issue that may occur around the world. There's a lot of other issues like that. I think it was the first foreign school specific negotiated rule making coming up with revised regulations in 2010.

It seems like there's been, in some cases, some surprising consequences, in some cases some unfortunate consequences of those regulations – for example, the listed institutions in the U.K., there are some of them losing their eligibility or perhaps had lost their eligibility. They're appealing. Maybe they'll get it back, I suppose. But that's certainly an unintended consequence of that negotiation. At least negotiator didn't realize that was what was gonna happen.

It seems like whenever you have a period like that where especially something new is negotiated like regulations applying to foreign schools and a whole host of things that there might be a call to take some of this up again. Not renegotiate the same things, but look at things that have appears that people weren't aware of or didn't realize what the consequences were at the time.

So my question is what is the process for doing that and is there some consideration in the future of taking some of these issues up again. I'm not asking for a timeline, I'm just saying is this something that might come up in the future. Not to have a specific negotiated rule making on foreign schools. It seems like that would be uncalled for. But that would be considered as part of a discussion of regulatory revisions that are gonna be on the table anyway since they seem to happen on a regular basis.

David Bergeron: So we had some public hearings earlier this year. Did you provide testimony at those hearings saying that we should do?

Audience: Yes I did, actually.

David Bergeron: Okay, so that's the process. The process is that we have public hearings. At those public hearings people raise issues and those public hearings help define our rule-making agenda. I think it is unlikely in the foreseeable future, that we will be doing rule-making that would impact foreign schools. As we said in the notice announcing the public hearings, we said we were going to be addressing issues around programs specific, really, to Pell grants – foreign schools aren't eligible for Pell grants – and issues around the campus space programs. Again, not programs that foreign schools are eligible to participate in.

I can't say right now that that's the extent of our regulatory agenda. There just has been an election. They're thinking about what our agenda is more broadly given that we have a second term. So clearly we're revisiting that, but I suspect that, and I'd be remiss if I said that this set of issues would be on the top of our list. Clearly fraud rates that put substantial amounts of federal funds at risk is kind of up there. I'm not gonna speculate otherwise on what the agenda might be, but I suspect it will be where there is substantial federal funds at risk given the school environment.

Audience: _____.

David Bergeron: Yeah, I mean we've been doing rule-making almost every year for the last four years, five years, I don't know. I've lost count. I know I've managed 24 processes in the last few whatever that is. But we have public hearings that form our negotiating agenda. We have to decide what can be managed within the resources available and can be accomplished within the timelines. And we still have two packages – regulatory packages – from our last round of negotiations that haven't been published yet, one on a set of loan issues, making the direct loan regulations free-standing, which

means incorporating all the origination requirements as well as doing some other technical things – and then a set of regulations around teacher preparation.

Those have to be published before we move forward and work on other issues. One we get to that point then we'll start the next cycle. Then we'll likely have additional hearings to set future agenda. So if I had to hazard a guess, we might start something early in the next calendar year, but that would be a real guess at this point given that there are a number of issues that are swirling around. We'll have to see what is the highest priority and we'll keep knocking out regulatory changes until such time as we're reauthorized. Then we'll start it all over again.

The fact that we have to do everything through negotiations does raise challenges for us. It's a year to 18-month long process to take something from a hearing to completion, and sometimes longer. So your guess is as good as mine as when we would get back to foreign school regulations. I would say it's out there, but not in the next six months to 18 months.

Male: I just want to fill in a little gap there. David mentioned the NPRM. That's a Notice of Proposed Rulemaking where we at the U.S. Department of Education publish this, what we believe the public hearings might have indicated and then what the department has discussed internally and whatnot. Then you have the opportunity to comment on that within the comment period. I've seen it as short as 30 days and as long as 120 days. But I highly recommend that when that gets published and you see that Notice of Proposed Rulemaking, if it pertains to foreign schools, read that and make comments. That's how we get the feedback from you. That feedback and those comments are then reviewed and responded to, if necessary, in the final regulation.

David Bergeron: Back to the question that was asked about packaging loans for prior payment periods, it was an electronic announcement that we issued the 9th of November this year. So just on the 9th.

Audience: I'm just wondering, is there like a dedicated phone number or email address that students are directed to to ask questions of the department when they're attending a school outside the U.S.? I know there's information on the student aid website. We saw it yesterday. We have a lot of students calling us saying they've called and they've said we can do this or we can do that because I don't know that they're just not aware that they're attending a

foreign school or they're just not aware of the nuances that are different.

David Bergeron: We have an 800 number for students, 800-4-FEDAID. Students are able to get information about the availability of assistance and types of assistance. If students are not specific with the people who are calling that phone number, they may get information that says based on a certain AFC value and undergraduate status that they may be able to receive a Pell grant. So depending on what kind of information that we know about the student calling will affect what, in general, the student will receive from us concerning the general requirements and availability of assistance.

Audience: _____.

David Bergeron: No, we don't have a foreign or international student number.

Audience: Hello. I was just going to make a comment on the lady that spoke in the front about the student loans and having an issue with a lot of guarantors or dealing with a lot of servicers. That's an issue that all the domestic schools have as well where you're having a student, until we can get everything coordinated to direct loans, you might have five or six different lenders.

What the domestic schools do, the two things they suggest is to either set your students up and advise them that they can set up an auto bill pay. They go to their bank, they set up an auto bill pay, they set up every single one of their loans and they can either drop pay that when they want to out of a certain month or they can pay at a certain time. That way all of those loans would then get paid when they want them to get paid. So they wouldn't forget a loan – I thought I had two loans when they really had six.

The other one is to just consolidate, to really learn about consolidation. That would be another way that you could at least pull all in the federal loans. The private loans would then be out because we really don't have any way to consolidate those on a general basis.

Then I had one other comment, the lady that had the consumer information. What I've been seeing is that a lot of the schools are doing a jump page because a lot of the information needs to be made available to all enrolled. So for you, where you only have a few that need to know about it, if you developed a page where – a website page where everyone is gonna go to that page, then your other 45,000 students – nobody's forcing them to read all that

information on that page. They could access it and maybe see that it doesn't apply to them and then they don't have to be bothered to spend all that time reading. It's not like you're sending out a letter to every single one of them.

[Side discussion]

David Bergeron: I would say that you would be able to send an email to all students that indicates this information is available and if you include it in that statement, this is particularly relevant to students from the United States or something like that, I suspect I would – that none of us would have a problem with that kind of language. But I think if you said this is only applicable to U.S. students, we might have a different view. Somewhere in there is an answer, we just have to find it.

Audience: It's not that you have consumer information for foreign schools and you have a longer document for the domestic schools, it's just a case of changing one word saying American students and things like that. With the current way you're doing things, I would argue you're creating a reputation issue for the U.S. government because you're making it look silly to 45,000 students. You've changed the foreign consumer information from last year to this year. I just got my ___ report in. The new document came out last week. I don't need it any more.

You've changed it from last year to this year. It's just common sense putting in a word, American students or eligible American students. But I think maybe the way of getting it over is just the sheer reputation about what you're going to do to America by having those – from a British point of view – ridiculous things. I mean I'll say it. I'm an American citizen despite my accent. I choose to live in Britain. I just get embarrassed by my home nation with this kind of thing.

David Bergeron: Please understand that the consumer disclosures that are required are things that are required specifically by law. We may think they're silly. We may think that they're overly prescriptive.

Audience: _____.

David Bergeron: I hear you.

Audience: This is just a follow up on the question we've just been talking about. Could we please be told why we have to tell our students?

There's no explanation why. There must be a reason the government wants all the students to know.

David Bergeron: Because the Congress, in writing the law, said that institutions were to provide this to all students.

Audience: But it didn't say why.

David Bergeron: Because they want all students to have the information. Why do they want all students to have the information? Because the view has been that the Congress of the United States view is that institutions go out of their way to hide certain information from students. I'm not accusing foreign schools of doing this, so please understand. But there are instances. I can personally point to instances where institutions have hidden information from students and prospective students.

They've gone out of their way to hide their pricing information, for example. So Congress has gotten very concerned about institutions in general, not foreign institutions, hiding information from students. So they've gotten very prescriptive about, say, you must provide all of this information to all of your students. Now when they did that, they weren't differentiating between foreign institutions and domestic or institutions that had a history of hiding information and institutions that didn't.

They just said we're gonna stop this silliness of institutions going out of their way. I'll say despite that federal law that's been in place for a number of years, institutions still try to hide information. When we're working on some of the regulatory work that Harris had made reference to, at the same time we were doing that for foreign schools we were doing the rules around the program integrity and we went looking for certain information that was required by law and by regulation to be available to all students and we couldn't find it, even though it should be available to prospective students.

So we should be able to go to any institution's website and find the information and it's not always easy. There are some institutions that deliberately go out of their way to hid information that Congress thinks it should have. So it's unfortunate that we are where we are in some sense, but it is our response to specific actions that institutions – not foreign institutions – but institutions have taken. So we are living with the consequences of those actions.

Audience: I just wanted to ask you one question. Doesn't the secretary have the discretion to interpret it? Congress didn't mean every Polish kid in _____ College in Poland.

David Bergeron: The secretary has the ability to interpret the words, but the secretary is obligated to interpret the words consistently for all institutions. Unless the Congress differentiates between foreign institutions and domestic institutions, or we do by regulation, then we don't differentiate. Now I said I'm not – I am willing – and we'll take it back and look at the issue and talk to the folks to see if there's some road here that could use to interpret it differently, but when Congress writes the word all it means all, not some. That's where we are right now. As I said, I'm not – if you make me give you an answer today I'll say no, but I think your preference is for me to take that back and talk to folks and see if we can come to a policy interpretation that allows all to mean some.

Audience: To move away from institutions hiding information from students or potential students, this came up yesterday and you were asked a number of questions, and I think some of the themes that have arisen, it may be useful for us to have a training session on cost of attendance and what can really be included in the interpretations there. The pressure that students or potential students put us under in terms of what they really mean in America and what this really means – and of course those of us who are American and have these loans, that tends to change things, but that's after they have much stressed much of our staff.

We could give you case studies of requests that I would really like to see how you would interpret these requests that we get for all kinds of really weird, extraordinary and wonderful things. So a lot of other people have this situation.

Male: Can we have a show of hands how many of you would like training on cost of attendance? Okay, that's unanimous too. Right up here. You are the last question of the day.

Audience: Since I'm the last, I'm going right back to the original question in relation to what happens to students who have completed their FAFSA and the information that they have provided afterwards. I did go to the FAFSA replication update session even though I wasn't a foreign school just because I wanted to see more information or get more information about what a student does, what they're asked, etc. when they complete a FAFSA.

It seemed to me that really as soon as a student picks a foreign school on that FAFSA the information should be different and a number of things should be provided. Not only the fact that we are not notified, but they have to tell us. We get students all the time – a week before they’re due to arrive – you haven’t told me about my federal aid. Well we don’t know who you are. But also in relation to the fact that foreign students do the assessment for their aid and I think a lot of American students are under the impression that it’s the Department for Education or the loan company in America that deal with the federal aid and not the institution.

We have lots of students who are quite awkward when we’re asking them for extra information or we’re telling them that they can’t have the loan values that they want. They want \$100,000.00 a year and we’re loaning out maybe \$50,000.00. They’re then telling us that we don’t have a right to tell them they can’t have it. We haven’t got a regulation, I don’t believe, that we can refer to that says actually we can tell you you can’t have it. That would be helpful to have.

David Bergeron:

Let me start with the FAFSA comment. It’s a valid question to say if the foreign school is listed they should be giving different information. We can certainly take that back. I would say that on our development site that we profess will come online January 1 is way too far down to make change at this point for the FAFSA for January. So it won’t be for then and I’m not gonna commit to looking at something for next year, although certainly we might have some time. But you’re right. There’s probably something we can do better there.

I think the point on the loan amount eligibility really goes back to the comment that your colleague made, which is it’s all about cost of attendance. At the end of the day U.S. students can’t borrow the cost of attendance on any of our loan programs. So I appreciate you want training, but one area we by law can’t regulate is cost of attendance. So there’s a tension between we know we can’t regulate it, but we can’t tell you how to do it. We can give you a price, we can give you support in your decisions, but understand that we can’t regulate it under federal law.

Audience:

_____.

Joe Smith:

If you get a situation where a student is pushing back on the amount that you’ve awarded, you’ve calculated the cost of attendance with all the appropriate budget elements correctly and you don’t find that there’s any reason using professional judgment

to modify that cost of attendance under any circumstances for that student on a case-by-case basis, you can send us an email the Foreign Schools team and we will provide you with the appropriate regulatory citations that you can show to that student that shows that they're in the wrong.

Byron: And speaking of calling the fed aid number, I just want to give you – there is a non-toll-free version of that number which I finally managed to find that your students can call. You may not want them to based on what she just said, but the non-toll-free number to call from overseas would be 319-337-5665. Of course that would have a preface of 1 before that 319.

Male: Thank you very much, sir. I want to thank everyone here and I want to thank our panel, David Bergeron and Joseph Smith for being able to help us today. And as far as the Foreign Schools track for the FSA conference, you have completed it. So give yourselves a round of applause.

Byron: Your completion rate is 100%. Put that in your consumer information.

[End of Audio]