# WHAT TO DO IF YOUR SCHOOL CLOSES

General Information for Affected Students

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Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION



# AGENDA

1. Explore Options
2. Obtain Records and Transcripts
3. Review FAQs
4. Highlight Resources

# WEIGH YOUR OPTIONS

*Don't panic!*

- SLOW DOWN!
- Review all options
- Avoid scams



# OPTIONS

# YOUR OPTIONS

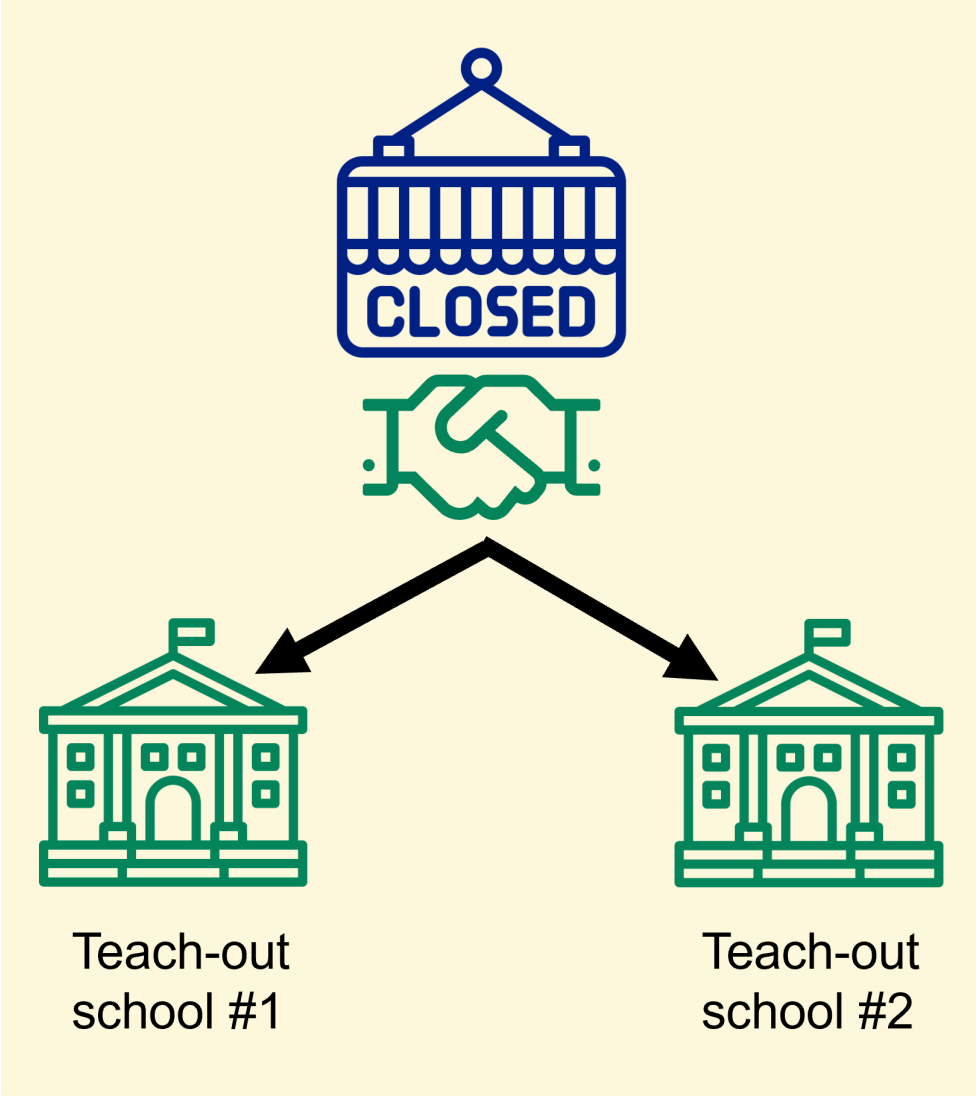
- Transfer earned credits/hours to another school
- Apply for Closed School (CS) loan discharge
- Apply to restore Federal Pell Grant eligibility
- Apply for reimbursement from State Tuition Recovery Fund

# TRANSFERRING CREDITS

# TRANSFER TO TEACH-OUT SCHOOL

*Finish program at designated school(s)*

Complete program of study at “teach-out” school(s) that have contract with closed school



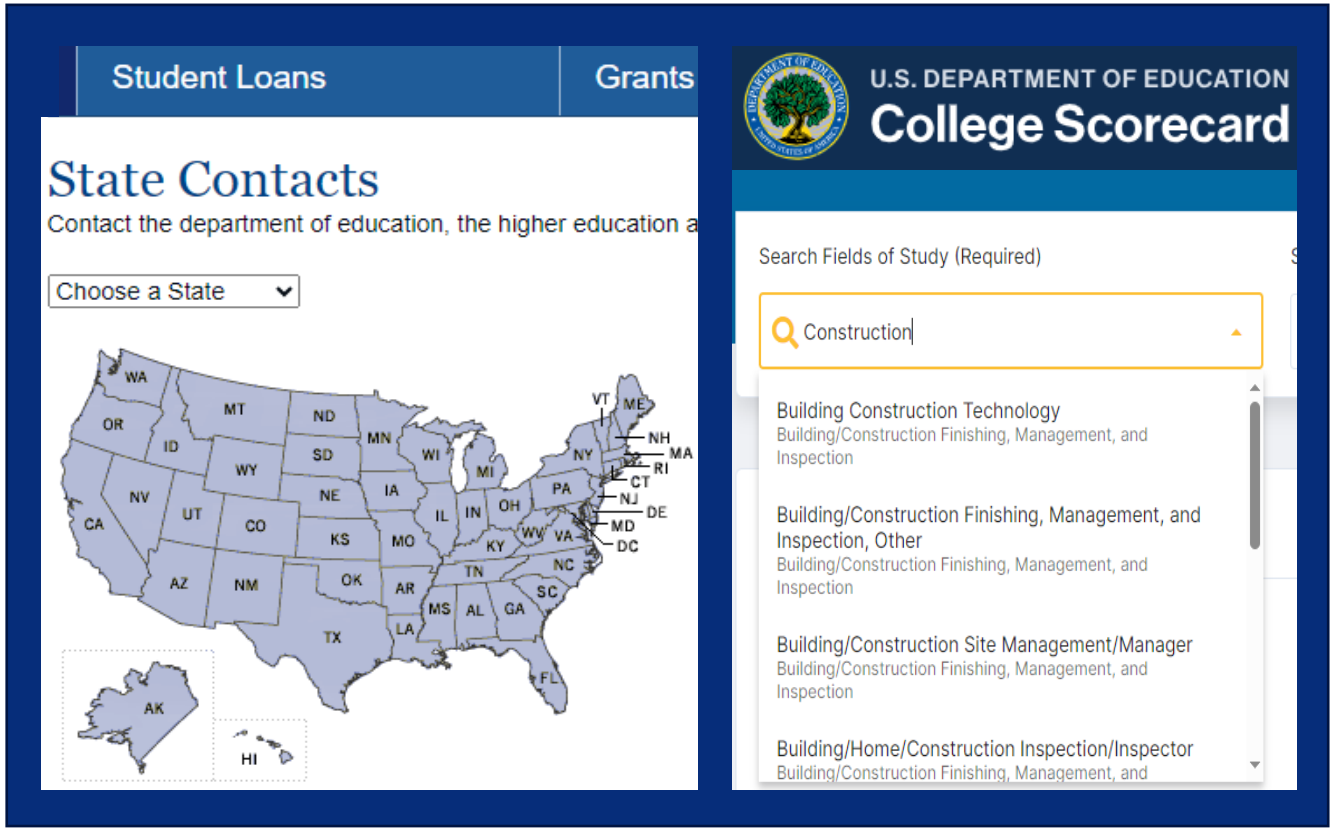
# TRANSFER TO SCHOOL OF YOUR CHOICE

## WITH COMPARABLE PROGRAM

New school determines number of credits/hours to accept

[State agency information]

[College Scorecard]



# CLOSED SCHOOL LOAN DISCHARGE

# APPLY FOR CLOSED SCHOOL (CS) LOAN DISCHARGE

## Eligibility Requirements

**1**

Student was enrolled when school closed (even if on approved leave of absence)

Did not complete program due to closure

**2**

Student withdrew up to 120 days BEFORE school closed

Loans 1st disbursed before 7/1/2020

**3**

Student withdrew up to 180 days BEFORE school closed

Loans 1st disbursed on or after 7/1/2020

# NOT ELIGIBLE FOR CS LOAN DISCHARGE

Student completed all program coursework before school closed

Student withdrew *more* than 120 or 180 days before school closed*

Completing/ completed comparable program at another school

- Teach-out; transfer credits to another school; other comparable means

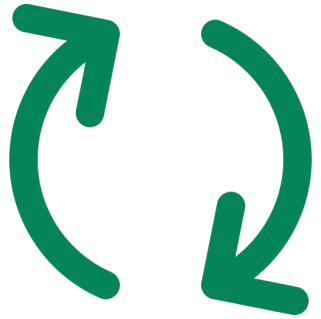
**120 days if loans first disbursed before 7/1/2020; 180 days if loans first disbursed on or after 7/1/2020.*

# CS LOAN DISCHARGE PROCESS

- Confirm student meets eligibility requirements
- Loan holder automatically sends discharge application to student (or student contacts servicer for discharge application)
- Student submits application to servicer
- Must continue making payments until application is approved

# FEDERAL PELL GRANT RESTORATION

# PELL GRANT RESTORATION



## Eligibility Requirements

- Received Pell Grant
- Was enrolled (or on approved leave of absence) during award year that school closed or award year immediately prior
- Did not complete program due to closure

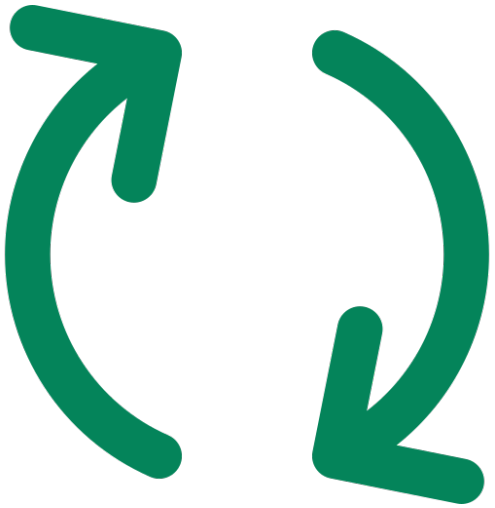
## Process

- School completes ED's closeout process
- ED **automatically** restores student's Pell Lifetime Eligibility Used (LEU)
- ED sends email notification to student

# REIMBURSEMENT FROM STATE TUITION RECOVERY FUND

# STATE TUITION RECOVERY FUND

- Available in some States
- May cover private education loans, cash payments, etc.
- Contact State agency for eligibility



# OBTAINING YOUR RECORDS

# TRANSCRIPTS

Helpful for transfer credits and loan discharge claims

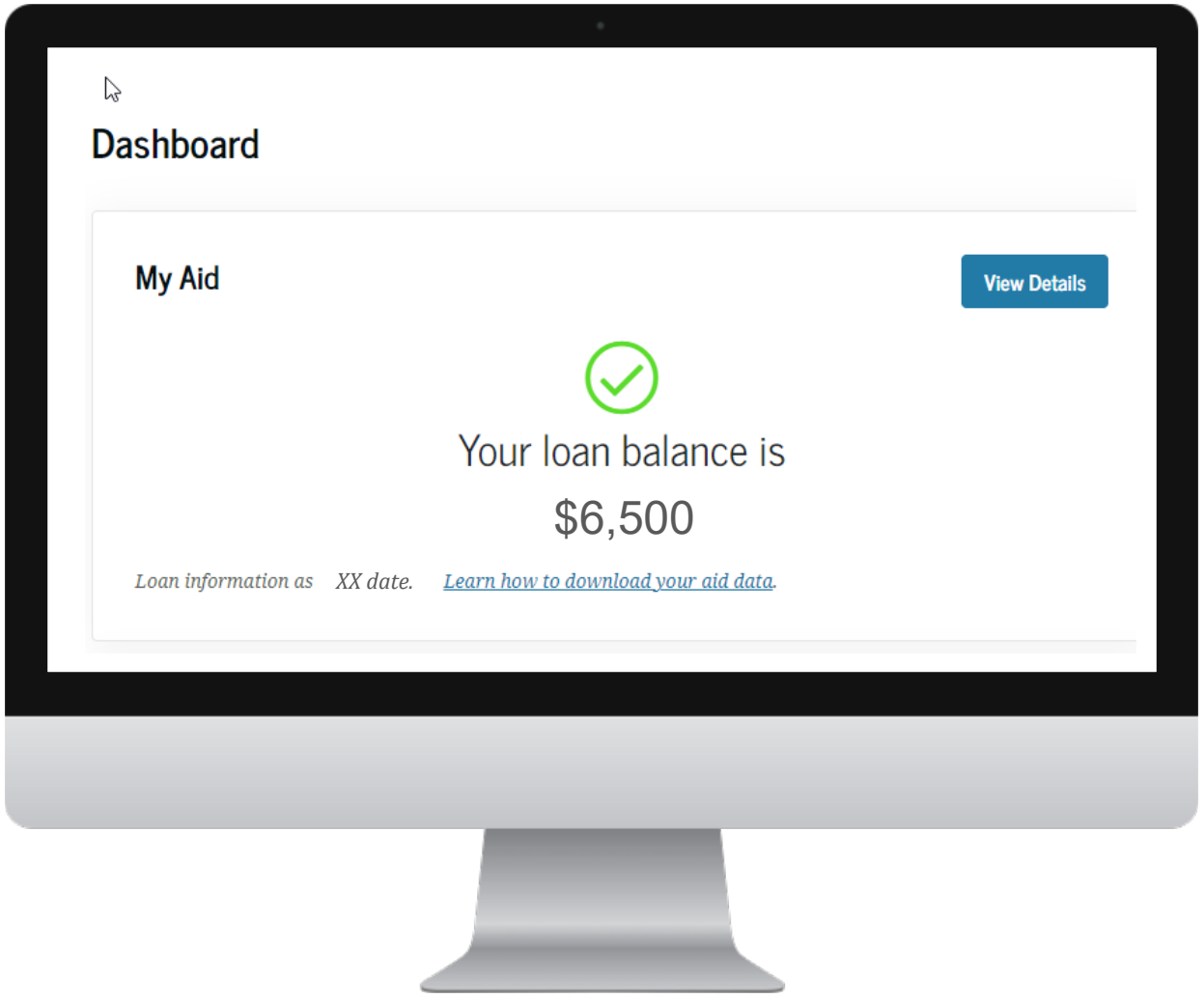
- Check school website
- Check State agency contacts
- Check Closed School Fact Sheet (if available)

# FREQUENTLY ASKED QUESTIONS

# FINANCIAL AID HISTORY

**Q1**: How do I find out how much federal student aid I have received and how much I have left?

**A1**: Go to Studentaid.gov "My Aid".



# CS LOAN DISCHARGE ELIGIBILITY (1 OF 3)

**Q2**: Can I receive a closed school loan discharge if I transfer earned credits from my closed school toward a ***comparable program*** at another school?

**A2**: No. If you transfer credits and complete (or are in the process of completing) a comparable program of study at another institution, you cannot receive a closed school loan discharge.



# CS LOAN DISCHARGE ELIGIBILITY (2 OF 3)

**Q3**: I transferred from my closed school to a new school and enrolled in ***completely different program of study***. Are my previous loans from the closed school dischargeable?

**A3**: Yes, if you meet all other eligibility requirements.



# CS LOAN DISCHARGE ELIGIBILITY (3 OF 3)

**Q4**: I recently enrolled at a new school in a program of study comparable to the one I was in before my school closed, BUT I ***did not receive credit*** for the work I completed at the closed school. Am I still eligible for a closed school loan discharge?

**A4**: Yes, if you meet all other eligibility requirements.



# RESTORING VETERAN GI BILL BENEFITS

**Q5**: I'm a veteran. Will I still receive my GI Bill benefits (including the monthly housing allowance) now that my school has closed?

**A5**: No. But you may qualify for GI Bill restoration if you were unable to complete your coursework before the school closed. If you finished the term, you probably aren't eligible for restoration. Visit the GI Bill Restoration website for more information. You may also call the GI Bill Hotline at 888-GIBILL-1 (888-442-4551).



# TRANSFERRING VETERAN GI BILL BENEFITS

**Q6**: I'm a veteran and I'm interested in transferring my credits to another institution. What should I do?

**A6**: Use the GI Bill Comparison Tool to find the program that's right for you. You may also be eligible for personalized counseling and support through VA's Education and Career Counseling program. The program can help you find a school that aligns with your educational goals. The Student Veterans of America Advising Center can also help answer your questions.



# DEPARTMENT OF DEFENSE TUITION ASSISTANCE

**Q7**: I was using Department of Defense (DOD) Tuition Assistance to attend my school before it closed. What happens now?

**A7**: Contact your DOD professional education counselor to discuss how this may impact you and your available options.



# MORE QUESTIONS

**Q8**: I still have questions. Does the U.S. Department of Education have a closed school FAQ page, or other resources?

**A8**: Yes.

- Visit our School Closure FAQ page
- Submit feedback at our Studentaid.gov Feedback Center or call the Federal Student Aid Information Center at 1-800-433-3243



# RESOURCES

# CLOSED SCHOOL RESOURCES (1 of 2)

- School Closure FAQs
- Closed School Fact Sheets
- How to Avoid Scams
- Closed School Loan Discharge Eligibility Requirements
- State Agency Contact Information
- College Scorecard

# CLOSED SCHOOL RESOURCES (2 of 2)

- Pell Lifetime Eligibility Used (LEU) Information
- Studentaid.gov Feedback Center
- GI Bill Restoration
- GI Bill Comparison Tool
- VA's Education and Career Counseling program
- Student Veterans of America Advising Center




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