

School Closure of Branch Campuses/Additional Locations

Introduction:

The term “closed” refers to a main campus or location of an institution where the institution has ceased to provide educational instruction in all programs for reasons other than a normal vacation period or a natural disaster that directly affects the school and its students.

A closure of a main campus or an eligible additional location involves a two-step process at Federal Student Aid (FSA). First, it is coded in FSA’s systems as a loss of *Title IV* eligibility due to closure. Then, FSA’s closed school analyst conducts research to verify the closure and determine if it meets the regulatory requirements for closure. If it does, the date of the closure is determined, and the location is added to the Department’s closed-school database and students in attendance at that location become eligible for a closed school discharge.

The chart below provides a summary of different circumstances and whether the Department’s current procedures would consider the institution as closed.

Circumstance	Result	Considered a closure?
An additional location moves to a new location that is <i>more than 20</i> miles away from the current location (or less in an area where 20 miles is not a typical commuting distance such as when students rely on a public transportation system and that system does not serve the new location, or the new location is more than a 30 minute drive from the old location) and/or the additional location moves to another state where a majority of the teachers, students and staff members <i>are not able to attend</i> the new location.	The new location could still apply for approval, but the old location would lose <i>Title IV</i> eligibility and be considered closed.	Yes
An additional location moves to a new location that is <i>more than 20</i> miles away from the current location (or less in an area where 20 miles is not a typical commuting distance such as when students rely on a public transportation system and that system does not serve the new location, or the new location is more than 30 minute drive from the old location) and/or the additional location moves to another state where the institution can document that a majority of the teachers, students and staff members <i>are able to attend</i> the new location.	This is considered a move/address change and the location would not be considered closed.	No

Circumstance	Result	Considered a closure?
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An additional location moves to a new location that is <i>less than</i> 20 miles away from the current location (or in an area where 20 miles is not a typical commuting distance such as when students rely on a public transportation system and that system does not serve the new location, the new location is a 30 minute or less drive from the old location) and/or the additional location moves to another state where the institution can document that a majority of the teachers, students and staff members <i>are able to attend</i> the new location.	This is considered a move/address change and the location would not be considered closed.	No
An additional location moves to a new location and the institution is making teach-out arrangements for students at the old location.	The new location could apply for approval, but the old location would lose <i>Title IV</i> eligibility and be considered closed.	Yes
An institution purchases another institution and becomes an additional location of the institution being purchased without an interruption in instruction.	The institution becoming the additional location will be approved as an additional location under the purchased institution and will lose <i>Title IV</i> eligibility as a stand-alone institution based on the merger.	No
An institution purchases another institution, and the institution being purchased becomes an additional location without an interruption in instruction.	The institution becoming the additional location will be approved as an additional location under the purchasing institution and will lose <i>Title IV</i> eligibility as a stand-alone institution based on the merger.	No
An institution is purchased by another institution, but both remain open and continue to provide instruction.	Once the change in ownership is complete, both institutions are eligible and unless they apply for merger, they retain separate OPEID numbers.	No
An institution closes to provide instruction at its main campus or a location, but another institution or entity acquires the assets of the location.	The location is considered closed. The sale of assets after closure does not impact the location's status as "closed."	Yes
An institution purchases an additional location of another institution with no interruption in instruction.	This would be considered a change of affiliation and the location would not be considered closed.	No

Circumstance	Result	Considered a closure?
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<p>An institution's main campus closes, and the institution also has approved additional locations.</p>	<p>The main campus and all locations lose <i>Title IV</i> eligibility. The main campus would be considered closed as well as any locations that closed.</p>	<p>Yes. However, any locations that remain open would lose <i>Title IV</i> eligibility, but would not be considered closed.</p>
<p>An approved additional location stops offering a single program but remains open, where the institution continues offering instruction for other programs.</p>	<p>The location could continue operating as an approved additional location as long as it is providing 50 percent or more of instruction in at least one approved program. The location would not be considered closed as long as instruction continued to be offered at that location for at least one other eligible program.</p>	<p>No</p>
<p>An approved additional location ceases providing at least 50% of an eligible program (for example, offering only 25% of an eligible program) but remains open.</p>	<p>If 50% or more of an eligible program is not offered at the additional location, it is not required to be reported to the Department. Therefore, the location would lose official designation as an eligible location but would not be considered closed.</p>	<p>No</p>
<p>An institution permanently ceases providing any instruction at an additional location and instructs students to attend virtually.</p>	<p>The additional location would lose <i>Title IV</i> eligibility and be considered closed.</p>	<p>Yes</p>
<p>A main campus or location is forced to close temporarily due to a natural disaster (hurricane, flood, earthquake, fire, outbreak, etc.)</p>	<p>Unlike cessation of providing an educational program for other reasons, closure due to a natural disaster does not automatically result in a loss of eligibility or participation. An institution should promptly contact its School Participation Division (SPD) to discuss its situation. SPD staff work with the institution to determine when it plans to reopen and what impact that interruption will have on its students. See DCL GEN-17-08.</p>	<p>No. However, if the location is not able to reopen, it would be considered closed.</p>