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### §668.5 Written arrangements to provide educational programs

(a) *Written arrangements between eligible institutions.* (1) Except as provided in paragraph (a)(2) of this section, if an eligible institution enters into a written arrangement with another eligible institution, or with a consortium of eligible institutions, under which the other eligible institution or consortium provides part of the educational program to students enrolled in the first institution, the Secretary considers that educational program to be an eligible program if the educational program offered by the institution that grants the degree ~~or~~, certificate, ~~or other recognized educational credential~~ otherwise satisfies the requirements of §668.8.

(2) If the written arrangement is between two or more eligible institutions that are owned or controlled by the same individual, partnership, or corporation, the Secretary considers the educational program to be an eligible program if— ~~the educational program offered by the institution that grants the degree, certificate, or other recognized educational credential otherwise satisfies the requirements of §668.8.~~

~~(i) The educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements of §668.8; and~~

~~(ii) The institution that grants the degree or certificate provides more than 50 percent of the educational program.~~

(b) *Written arrangements for study-abroad.* Under a study abroad program, if an eligible institution enters into a written arrangement under which an institution in another country, or an organization acting on behalf of an institution in another country, provides part of the educational program of students enrolled in the eligible institution, the Secretary considers that educational program to be an eligible program if it otherwise satisfies the requirements of paragraphs (c)(1) through (c)(3) of this section.

(c) *Written arrangements between an eligible institution and an ineligible institution or organization.* If an eligible institution enters into a written arrangement with an institution or organization that is not an eligible institution under which the ineligible institution or organization provides part of the educational program of students enrolled in the eligible institution, the Secretary considers that educational program to be an eligible program if—

(1) The ineligible institution or organization ~~has not~~—

~~(i) must be able to demonstrate experience in the delivery and assessment of the program or portion of program they will be contracted to deliver and must provide evidence that the program has been effective in meeting the stated learning objectives; and~~

~~(ii) has not:~~

~~(A) Had its eligibility to participate in the title IV, HEA programs terminated by the Secretary;~~

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~~(B)(i)~~ Voluntarily withdrawn from participation in the title IV, HEA programs under a termination, show-cause, suspension, or similar type proceeding initiated by the institution's State licensing agency, accrediting agency, guarantor, or by the Secretary;

~~(C)(i)~~ Had its certification to participate in the title IV, HEA programs revoked by the Secretary;

~~(D)(v)~~ Had its application for re-certification to participate in the title IV, HEA programs denied by the Secretary; or

~~(E)(v)~~ Had its application for certification to participate in the title IV, HEA programs denied by the Secretary;

(2) The educational program offered by the institution that grants the degree ~~or~~, certificate, ~~or other recognized educational credential~~ otherwise satisfies the requirements of §668.8;

(3) ~~The ineligible institution or organization provides 50 percent or less of the educational program;~~

~~(B)(4)~~ The eligible institution and the ineligible institution or organization are not owned or controlled by the same individual, partnership, or corporation; and

~~(C)(5)(i)~~ The eligible institution's accrediting agency, or if the institution is a public postsecondary vocational educational institution, the State agency ~~listed in the FEDERAL REGISTER approved by the Secretary under accordance with 34 CFR part 603, is notified of the change any written arrangement between the eligible institution and an ineligible institution or organization within 10 days of when it is executed. occurred;~~ and the ineligible institution or organization provides 25 percent or less of an educational program leading to a degree, certificate or other recognized educational credential; ~~or:~~

~~(5)(ii)~~ The eligible institution's accrediting agency, or if the institution is a public postsecondary vocational educational institution, the State agency ~~approved by the Secretary under listed in the FEDERAL REGISTER FEDERAL REGISTER in accordance with 34 CFR part 603, has specifically determined that affirmatively approves the institution's arrangement meets change within 10 days of when it occurred;~~ and the agency's standards for the contracting out ineligible institution or organization provides more than 25 percent of an educational services program leading to a degree, certificate or other recognized educational credential.

(d) *Administration of title IV, HEA programs.* (1) If an institution enters into a written arrangement as described in paragraph (a), (b), or (c) of this section ~~or provides coursework as provided in paragraphs (h)(2) or (h)(3),~~ except as provided in paragraph (d)(2) of this section, the institution at which the student is enrolled as a regular student must determine the student's eligibility for title IV, HEA program funds, and must calculate and disburse those funds to that student.

(2) In the case of a written arrangement between eligible institutions, the institutions may agree in writing to have any eligible institution in the written arrangement make those calculations and

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disbursements, and the Secretary does not consider that institution to be a third-party servicer for that arrangement.

(3) The institution that calculates and disburses a student's title IV, HEA program assistance under paragraph (d)(1) or (d)(2) of this section must—

(i) Take into account all the hours in which the student enrolls at each institution that apply to the student's degree or certificate when determining the student's enrollment status and cost of attendance; and

(ii) Maintain all records regarding the student's eligibility for and receipt of title IV, HEA program funds.

(e) *Information made available to students.* If an institution enters into a written arrangement described in paragraph (a), (b), or (c) of this section, the institution must provide the information described in §668.43(a)(12) to enrolled and prospective students.

(f) *Workforce responsiveness.* Nothing in this or any other section shall prohibit an institution utilizing written arrangements from aligning or modifying their curriculum or academic requirements in order to meet the recommendations or requirements of industry advisory boards that include employers who hire program graduates, widely recognized industry standards and organizations, or industry-recognized credentialing bodies, including making governance or decision-making changes as an alternative to allowing or requiring faculty control or approval or integrating industry-recognized credentials into existing degree programs.

(g) *Calculation of percentage of a program.* When determining the percentage of the program that is provided by an ineligible institution or organization under paragraph (c) of this section, the institution shall divide the number of semester, trimester, or quarter credit hours, clock hours, or the equivalent that are provided by the ineligible organization or organizations by the total number of semester, trimester, or quarter credit hours, clock hours, or the equivalent required for completion of the program. A course is provided by an ineligible institution or organization if the contracted organization has authority over the design, administration, or instruction in the course, including, but not limited to—

- (1) Establishing the requirements for successful completion of the course;
- (2) Delivering instruction in the course; or
- (3) Assessing student learning.

(h) *Non-applicability to other interactions with outside entities.* Written arrangements are not necessary for, and the limitations in this section do not apply to —

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(1) Acceptance by the institution of transfer credits or use of prior learning assessment or other non-traditional methods of providing academic credit; or

(2) The internship or externship portion of a program if the internship or externship is governed by accrediting agency standards that require the oversight and supervision of the institution, where the institution is responsible for the internship or externship and students are monitored by qualified institutional personnel.