

Closed school discharge: Tips regarding what constitutes a “comparable program of study” for purposes of discharge eligibility.

A borrower is not eligible for a closed school discharge if he or she is completing a comparable program of study at another school:

- through a teach-out agreement with the school,
- by transferring academic credits or hours earned at the closed school to another school,
- or by any other comparable means.

With respect to what constitutes a “comparable program of study” at another school:

- The Department is responsible for interpreting the closed school discharge statutes and regulations.
- There is no single factor that determines program comparability.
- A number of factors may be relevant in making a determination of comparability of a program, including:
 - The academic or professional nature of the two programs;
 - The similarity in course requirements;
 - The treatment of transfer credits by the institution accepting the credits (for example: as general education credits or electives, or as credits toward completion of the core program);
 - The disposition of a state approving agency or accrediting agency on the comparability of the programs.
- Borrowers must act in good faith and to the best of their knowledge in completing discharge application forms, including when answering the question as to whether the borrower has completed or is in the process of completing a comparable program of study.

Things to consider related to transfer of credits:

- A borrower transferring into a comparable program should have an understanding from the receiving school how many credits earned at the closing school will transfer towards the receiving school’s program.
- The receiving school should have a publicly available statement of its transfer of credit policy which includes its criteria regarding the transfer of credit and a list of institutions with which it has articulation agreements.
- Borrowers should consider the number of credits that will transfer into a comparable program before choosing to transfer credits instead of applying for discharge (forgoing the discharge in order to transfer a small number of credits may not be in the borrower’s best interest.)

Completing a comparable program “by any other comparable means”:

- Factors that indicate a borrower is completing a comparable educational program “by any other comparable means” include, but are not limited to, the receiving school evaluating the borrower’s competencies through testing or interviews that translate to credit or steps toward completion of core credits for the comparable program.