

FAQ for students at for-profit colleges that are closing

Should I drop out of a school that looks like it is closing?

It depends. If you do not plan on continuing your education in a program similar to the program you are in now and leave your program 120 days before the school closes, you will lose access to a federal student loan closed school discharge. You can find out more information about a federal student loan closed school discharge here: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/closed-school>.

If you do plan on continuing your education and your school has not closed yet, it is possible transfer pathways have not been negotiated for you. Schools and the Minnesota Office of Higher Education negotiate how classes transfer when a school closes. These transfer pathways may be more favorable than the transfer credit you would have received previously at your new school. Negotiated transfer pathways are very important if you are in a program where classes are all taken with a co-hort.

If you do choose to stay at your school before the school closes, there is a risk that the school will close before the term has completed or before you have completed your program. You could lose money and time if this occurs.

The school I was going to closed. Now what?

- How can I transfer to another school?

You will need a copy of your official transcript. The Minnesota Office of Higher Education works with schools to get transcripts when schools close. You can call Brian Geraghty at 651-259-3976 to get a copy of your official transcript.

You can also go to the Minnesota Office of Higher website to find out if there are any transfer pathways that have been established to help streamline you transferring to a new school.

Once you transfer schools, there may be a delay in your ability to receive financial aid. Frequently your old school must complete close your financial file with that school with the US Department of Education to open up financial aid eligibility at the new school. This can take up to a month to complete. You should check with your new school to determine how much financial aid you be eligible for.

- Do I still have to repay the loans I took out to go to that school?

For private loans: You will be responsible for paying back any private student loans.

For federal loans: You can apply for a “a closed school discharge” if:

- You do not transfer to a new school to complete your program;
- You transfer to a new school for a program that is not similar; or
- You do transfer to a new school for the same program, but do not transfer any of your credits.

Note: If you get a closed school discharge of your federal student loans and you later decide to go back to school for a similar program, the loan discharge will be cancelled and you will be required to pay back those federal student loans.

If you can establish that the school committed fraud: Some students may be eligible for a loan discharge called a borrower's defense to repayment loan discharge. Students that can establish that their school committed fraud when enrolling you or when providing your education may be eligible for a student loan discharge and a refund of any payment made on those loans. Information on this process can be found here: <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/borrower-defense>.

Did you attend WyoTech or Everest Institutes? Sometimes the US Department of Education establishes that large groups of students were defrauded and students only need to complete a certification form to get a federal student loan discharge. This occurred with students that attended WyoTech and Everest Institutes from Minnesota. A list of these programs and the years covered can be found here: <https://studentaid.ed.gov/sa/sites/default/files/ev-wy-findings.pdf>.

If you were enrolled at one of these schools during the dates listed, you should apply for a federal student loan discharge through <https://borrowerdischarge.ed.gov/FormWizard/RLD/RLDStep1.aspx> or <https://studentaid.ed.gov/sa/sites/default/files/heald-attestation-form.pdf>.

- **Where can I get my transcripts?**

Once the Office of Higher Education has your transcripts, you can request up to 5 official transcripts for \$15. Information about making requests can be found here:

<http://www.ohe.state.mn.us/mPg.cfm?pageID=1190>.

The Office of Higher Education generally waives the transcript fee for the first three months after a school closure.

Some schools also transfer their transcripts to online providers like Parchment, found here: <http://www.parchment.com/order/>. These providers will also cost you money for you to get your transcript. Exact fees depend on the school.

What can I do about being in default on my school loans and not being able to get financial aid to attend a public or non-profit school now?

If you are a former WyoTech or Everest Institute student, you should first check to see if your loans are eligible for a student loan discharge at <https://studentaid.ed.gov/sa/sites/default/files/ev-wy-findings.pdf>. If you so, you should apply to get these loans discharged and then call your student loan servicer to get your loans placed in forbearance until that loan discharge is completed.

If you are not a former WyoTech or Everest Institute student, you should call your student loan servicer to "remediate" your federal student loans and get out of default. You cannot get financial aid until your federal student loans are no longer in default. You can request to remediate your loans by entering into an income sensitive repayment program like Income Based Repayment where your payments can be based on your income and family size. For more information go here:

<https://studentaid.ed.gov/sa/repay-loans/default/get-out/>.

Where can I get information about specific schools?

The US Department of Education and the Minnesota Office of Higher Education provide consumer information on closed schools. You can find information from the US Department of Education by going to www.studentaid.ed.gov and then in the search box, type in the name of your school. You can find information from the Minnesota Office of Higher Education by going to <http://www.ohe.state.mn.us/mPg.cfm?pageID=2216>.

Where can I report that I was given misleading information that caused me to enroll in a specific school?

Minnesota Office of Higher Education regulates private institutions and investigates student complaints for students that believe they were misled. The Minnesota Office of Higher Education does not have the authority to investigate student complaints for any public college or university. Before the Minnesota Office of Higher Education can initiate an investigation specifically into your concerns, you will need to contact the office to receive a complaint form. You can email betsy.talbot@state.mn.us to request a complaint form.