

Process for determining Satisfactory Academic Progress (SAP) for US students of the Master in Management (MiM) program, receiving federal loans, at IESE Business School.

1. Background and context.

U.S. federal regulations state that, in order to be eligible to receive federal aid from the U.S. Department of Education and receive their full loan entitlement each academic year, a student must be fully enrolled on an eligible education course and be judged to be making satisfactory academic progress (SAP). Loan schemes governed by these regulations at IESE Business School are:

1. Unsubsidized Direct Loans
2. Direct PLUS Loans

According to the U.S. federal requirements, the school must define the Title IV academic year for the Master in Management (MiM). The IESE MiM is an 11 months, 60 credit hours program (each credit is composed of 25 hours) that takes place in one single academic year divided in 5 periods.

Period	ECTS
P1	11
P2	10
P3	10
P4	10
P5	19

As the number of weeks in each period can vary from year to year, at IESE there is no exact correspondence between credit hours and number of weeks in each period. According to the advice from the Department of Education, we will therefore use credit hours to define the payment periods to evaluate the eligibility to the following disbursement, according to the SAP.

The number of weeks in the academic year (loan period) can vary from year to year, but always fulfills the minimum requirement of 30 weeks. The academic year (loan period) is divided in two payment periods.

- The first payment period, with 31 credit hours, starts in September and ends in April (P1, P2, P3).
- The second payment period, with 29 credit hours, starts in April and ends in August (P4, P5).

US federal loans are disbursed in two installments, one in each payment period. The first disbursement is in September and includes 50% of the portion of the loan allocated to tuition fees, and 2/3 of the portion of the loan allocated to living costs (according to the CoA – see Annex 1). The second disbursement is in April and includes the remaining 50% of the portion of the loan allocated to tuition fees and 1/3 of the portion of the loan allocated to living costs.

The content of the program is described in the “*MiM Program Handbook*” (see Annex 2).

2. IESE Business School’s regulations for determining satisfactory academic progress.

1. IESE Business School’s academic regulations set out the parameters of satisfactory academic progress.
 2. All students are required to make satisfactory progress through their academic program.
 3. The financial aid satisfactory academic progress standards are the same for all students regardless of whether they are receiving Title IV aid or not. All students will be subject to the same standards and will receive the appropriate action based on their status.
 4. Each student has to sign the document “*MiM Program Handbook*”, before the classes start. This document sets out the policies and procedures governing participation in the MiM Program at IESE Business School. Participation in the Program implies acceptance of these rules.
- **Qualitative Requirements:** The “*MiM Program Handbook*” includes the paragraph regarding academic rules for each Full-Time MBA student. The qualitative component of the SAP and minimum academic requirements are explained in Chapter *Academic Requirements* of this document.

Students who receive six ECTS or more Cs or Ds in any given period will be placed on probation and warned about their poor academic performance. An accumulation of 6 credit-equivalent Cs or Ds during the academic year may lead to dismissal from the program.

- **Quantitative Requirements:** Regarding quantitative terms, students must progress through the program at a pace which ensures that they will graduate within the maximum timeframe. The maximum timeframe for completion is 150 % of the published length of the program not to count any LOA. According to Chapter *Class Attendance of the MiM Program Handbook*, class attendance

is mandatory and recorded daily. In the case of unavoidable absences, students need to inform the professor and the MiM Office in writing. It is the student's responsibility to catch up on any missed work. Any student who accumulates absences of 20 percent or more in any given course will automatically receive an "Incomplete", regardless of the academic grade awarded by the course professor. If a student accumulates two or more "Incompletes" in one period or three or more "Incompletes" during the academic year, an academic evaluation process (AEP) may be opened. This process can also be initiated when a student misses more than 15 percent of classes in a given period. It is the responsibility of the MiM Committee to evaluate each "Incomplete". The Committee can ask students with an "Incomplete" grade to do remedial work. Failure to complete the remedial work or follow the Committee's instructions automatically triggers an academic evaluation process (AEP).

3. Procedure for assessing Satisfactory Academic Progress of US Federal Aid recipients at IESE Business School.

The academic progress of students will be assessed prior to the disbursement of Federal Aid at the start of each payment period in order to determine continued eligibility. The Financial Aid Office will seek confirmation from the MiM Program of the pace of completion of each term (the school will calculate the pace at which the student is progressing by dividing the cumulative number of hours the student has successfully completed by the cumulative number of hours the student has attempted) and that satisfactory academic progress has been made under the following criteria in line with US Federal Regulations:

- a. The student's progress is in line with the level expected for his/her academic program, as defined in the *MiM Program Handbook*, and sufficient to enable continued academic progression on their course, according to the minimum academic requirements and class attendance.
- b. The student has an appropriate standing at the time of the SAP assessment consistent with the institution's requirements for the successful completion of course.

Where SAP is confirmed, the student's financial aid will be processed as normal.

4. Evaluation of the Satisfactory Academic Progress

To receive Title IV financial aid, a student must be considered to be making satisfactory academic progress as defined in the paragraph 2 of this document and as it is described in the *MiM Program Handbook*.

SAP will be assessed prior to the disbursement of Federal Aid at the end of each payment period in order to determine continued eligibility.

A student who does not meet SAP standards will be notified that he is ineligible for disbursements of US federal aid. The eligibility of the student can be regained only by submitting a successful appeal and placing the student on the probation, or by taking action by a student which would lead to compliance with SAP standards.

5. Procedure to reestablish satisfactory progress and Appeals (Chapter Academic Evaluation Process of the *MiM Program Handbook*).

An Academic evaluation process (AEP) can be opened by the MiM Committee at any time due to a student's unsatisfactory academic performance, absenteeism or serious misconduct with respect to the program values and policies. Professors can request the Committee to open the process. If an AEP is opened, the student will immediately be informed in writing on the motivating circumstances. As part of the process, the student has the right to explain his or her point of view on the issue. When conducting an AEP, the MiM Committee will take into account the student's academic record and the opinions of the student's mentor and section head. Additional members may join the MiM Committee for deliberation as required. In cases of serious misconduct and as part of the AEP, the MBA Committee will ask the student to explain the circumstances of the perceived misconduct. Failure to do so may lead to a recommendation that the student should leave the program. The AEP may conclude with an unconditional or conditional continuation of the student in the program, or with a recommendation to the IESE Executive Committee that the student should leave the program. The AEP result is communicated in writing to the student. If the student continues the MiM under a conditional continuation, the MiM Committee may ask the student to do some remedial work, a written exam or a comprehensive exam at any time of the year.

In the case of unsatisfactory academic performance and/or an accumulation of "Incompletes", the MiM Committee may ask the student to take a comprehensive examination at any time during the academic year. If the MiM Committee stipulates that a student must take an exam and he/she fails to do so, he/she may be dismissed from the program.

Any student who is subject to an AEP or has been dismissed for academic reasons may appeal the decision of the MiM Committee. The appeal should be made to the associate dean for MiM programs at IESE, who will issue a decision in writing. Students are entitled to one appeal during their tenure at IESE. If reinstatement is granted but the conditions are not satisfied within a specified period of time, dismissal is

automatic and not open to further appeal. Appeals should be made within three days of receipt of the MiM Committee's decision and sent in writing to the MiM Committee.

This process must be followed for the Financial Aid Office to consider the student's exceptional circumstances.

The decision of the MBA Committee will be binding for the Financial Aid Office regarding the disbursement of funds to the student. The Financial Aid Office will inform the student by sending an email about the impact of the MBA Committee's decision on his or her Title IV funds.

6. Academic Interruptions

- **Leave of Absence (LOA):** According to Chapter *Leave of Absence* of the "MiM Program Handbook", students who need to interrupt the normal 11-month course of study must submit a leave of absence in writing to the Executive Director of the MiM indicating the reason for the request and the length of the anticipated absence. Depending on the circumstances, a leave of absence may be granted for up to two years. Leaves of absence are only granted to students with good academic records.

If the student is a Title IV loan recipient, the school will provide an explanation to the student, prior to granting the LOA, of the effects that the student's failure to return from an LOA may have on the student's loan repayment terms, including the expiration of the student's grace period. According to U.S. federal regulations, for the purpose of receiving IV Title aid, according to US federal regulations, the leave of absence together with any additional leaves of absence must not exceed a total of 180 days in any 12-month period. If this number is exceeded, IESE Business School is required to follow the "Title IV Return Policy" and the student is considered withdrawn for Title IV purposes.

- **Withdrawals:** please consult the "Withdrawal Policy", provided by the MBA Department (mba.office@iese.edu)
- **Transfers** from other institutions are not accepted at the IESE Business School.

Further advice and support is available from:

Financial Aid Office, E-mail: faohelp@iese.edu

Annex 1. CoA is available [Here](#).

Annex 2. The MiM Program Handbook is available on request by contacting faohelp@iese.edu.