

Executive Numbered Memo 008-2013-14 - Modified and Extended Diplomas – Clarification Regarding Federal Financial Aid

April 21, 2014

TO: Superintendents, Principals, and Counselors

RE: Modified and Extended Diplomas – Clarification Regarding Federal Financial Aid

Summary

Oregon has received further clarification from the U.S. Department of Education regarding requirements for federal financial aid eligibility. Oregon students who receive a modified diploma are now eligible to apply for federal financial aid. Oregon students who receive an extended diploma are not eligible to apply for federal financial aid.

Background

In 2009, Oregon received guidance from the U.S. Department of Education indicating students who earned Oregon's Modified and Extended Diplomas were not eligible for federal financial aid. However, recent guidance from and discussions with the US Department of Education have clarified the eligibility requirements. A student must receive 'the recognized equivalent of a high school diploma', and the Oregon Department of Education has determined that Oregon's Modified Diploma meets this requirement.

Confirmation of Modified Diploma Eligibility

The Modified Diploma denotes successful completion of required courses and specific achievement on state assessments. Oregon students who receive a Modified Diploma are now eligible to apply for federal financial aid. This extends to students who may have received a Modified Diploma in past years. Whether it is prudent for an eligible student to seek federal financial aid is a determination that should be made on a case-by-case basis by a student and his or her family in consultation with a financial aid advisor. Factors that should be taken into consideration include the amount of borrowing involved, if any, and the student's expected ability to repay. Approximately 750 students receive a modified diploma each year.

Change for Extended Diploma Eligibility

Previously we had announced that students who received an Extended Diploma would also be eligible for federal financial aid. As described above, a diploma must be 'the recognized equivalent of a high school diploma' or 'substantially similar' in order for a student to be eligible to apply for federal financial aid. With this specific clarification, the Oregon Department of Education has determined that the Extended Diploma does not meet this requirement. The Extended Diploma requires the completion of only 12 credits, and the student can be exempted from the essential skills requirement. Students who receive an Extended Diploma are not eligible to apply for federal financial aid. Approximately 50 students receive an Extended Diploma each year.

School administrators, teachers, and guidance counselors should share this corrected information with students who are pursuing Modified and Extended Diplomas and their families. A Modified Diploma or an Extended Diploma does not guarantee admittance to a post-secondary institution.

If you have questions about this guidance or about the Modified or Extended Diplomas, please contact [Sally Simich](#) at 503-947-5639.