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To: Banner-AR Group
Sheryle Proper-UH System Director of Financial Aid Policy & Strategy
Janine Oyama-UH System Financial Aid Officer
Merrisa Bechtel-UH System Policy and Program Student Supplemental Specialist

From: Denise DeArment-UH System Bursar

CC: Hae Okimoto-UH System Director of Academic Technical Services
Amy Kunz-UH System Assistant Vice President of Business and Finance/Controller
Council of Senior Student Affairs
Council of Chief Academic Officers

Date: January 19, 2021

Re: Interactive Digital Access Program (IDAP) Charge

Comments: The implementation of the categorization changes of the IDAP charge took place on January 6, 2021. This adjustment changes IDAP charge from a non-institutional charge to institutional charge following the Department of Education standards by complying with the three qualified guidelines within the Department of Education's new rules.

The new rules took effect July 1, 2016 and the following represents the Department of Education ruling on Books and Supplies:

Institutions are allowed, under longstanding rules, to pay Title IV funds to a student by crediting the student's account (called the student's ledger account in the new rules) to cover tuition and fees, and room and board. The funds may be used to cover other educationally related charges on the account only with authorization from the student.

The new rules, for the first time, restrict the ability of an institution to include charges for books and supplies in tuition and fees unless certain conditions are met. An arrangement may qualify for inclusion in one of three ways:

1. The arrangement with a book publisher or supplier allows the school to provide the books and supplies below competitive market rates and provides a way for students to obtain them by the seventh day of the payment period. In addition, students must be able to opt out of the arrangement and obtain the materials another way.
2. The institution can document that the books and supplies, including digital materials, are not available elsewhere or accessible through other means.
3. There is a compelling health or safety reason.

If an institution's program does not meet these conditions, the institution may still charge a fee to the student for books and supplies, but may not apply Title IV funds to the charges without first obtaining written authorization from the student. (pp. 67136-39)



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In its first Program Integrity rulemaking in 2010, ED was concerned that needy students were sometimes educationally disadvantaged when they did not have their excess aid funds in time to purchase books and supplies in a timely manner. ED added a provision to the cash management rules requiring institutions to provide a way for Pell-eligible students to obtain necessary materials no later than the seventh day of the payment period if certain conditions were met.

Many schools meet the requirement by offering students book vouchers or the ability to charge books at the school store to their student account. In the revised rules, ED has broadened this provision to apply to all Title IV-eligible students, not just Pell-eligible students, while leaving the conditions the same. Note that if a student opts out of the school's arrangement for providing books and supplies included as a component of tuition and fees, the student is also presumed to have opted out of this provision. (pp. 67175-77)

University of Hawaii meets the Department of Education standards by complying with the three qualified guidelines within the Department of Education's new rules.

CC: Financial Aid & Registration Departments