



APR - 9 2007

Dr. Leszek Paczek
Rector
Akademia Medyczna w Warszawie
61 Zwirki I Wigury Str.
Warsaw
Poland
02-091

Federal Express Delivery
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RE: Denial of Recertification Application to Participate in the Federal Student Financial Assistance Programs
OPE-ID: 01079500

Dear Dr. Leszek Paczek:

The Foreign Schools Team of the United States Department of Education (Department) has reviewed the recertification application submitted by Akademia Medyczna w Warszawie (Institution), Warsaw, Poland, on September 30, 2004 to continue its eligibility to participate in the student financial assistance programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §1070 *et seq.* (Title IV, HEA programs). The Title IV, HEA programs include the Federal Family Education Loan (FFEL) Program which allows participating foreign schools to certify FFEL loans for eligible American students.

This notice is to inform you that the Department is denying the Institution's application for continued Title IV eligibility because the Institution failed to provide the required information and reports that would enable the Department to complete its review of the application and failed to meet the Department's standards of financial responsibility and administrative capability. For purposes of evaluating a recertification application, the Department reviews the institution's performance during the period of its previous Program Participation Agreement.

The Institution was permitted to continue its participation in the FFEL Program under provisional certification on a month-to-month basis until the Department issued a decision on the pending application for recertification. **As a result of the denial of the Institution's recertification application, the Institution's eligibility to participate in the Federal Family Education Loan (FFEL) Program will end on the last day of the month of this letter.**

Annual Financial Statements and Compliance Audits

To continue participation in the Title IV, HEA programs, an institution must demonstrate to the Department that it qualifies to be certified to participate in those programs under the requirements set forth in the United States Code of Federal Regulations (CFR). Specifically, an institution must meet the standards of financial responsibility set forth at 34 CFR §668.15 and 34

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CFR Part 668, Subpart L, as well as the standards of administrative capability set forth at 34 CFR §668.16. An institution demonstrates that it satisfies the standards of financial responsibility and administrative capability by annually submitting audited financial statements and audited compliance reports, as required by 34 CFR §668.23. The financial statement enables the Department to assess the financial condition of the institution and the compliance audit evaluates the institution's compliance with FFEL program requirements. By its failure to submit required annual audited financial statements and compliance audits, Akademia Medyczna w Warszawie has failed to demonstrate that it satisfies the Department's standards of financial responsibility and administrative capability. The Department's efforts to obtain the required reports from the Institution are described below.

On August 25, 2003, the Department sent a letter notifying the Institution that it must submit missing compliance audits for the fiscal years ended December 31, 2000, 2001 and 2002, and financial statements for the fiscal years ended December 31, 2001 and 2002. The Institution submitted the missing 2002 financial statement but did not submit the 2001 financial statement or the required compliance audits. In a letter dated February 13, 2006, the Department notified the Institution that it must submit the Institution's missing compliance audits for the fiscal years ended December 31, 2000, 2001, 2002 and 2003 as well as its audited financial statement for the fiscal year ended December 31, 2001. The February 13, 2006 letter also requested a copy of the Institution's most recent catalog and current documentation of the accreditation of the Institution's medical school. The letter stated that in order for the school's recertification application to be considered complete, the Department must receive the missing documents within 45 calendar days from the date of the letter. The Institution submitted the catalog and the missing 2001 financial statement but did not submit the missing compliance audits for the years 2000 through 2003. In a response letter dated March 24, 2006, you stated that the Institution submitted financial statements for the fiscal years 2000 through 2004 (and included copies with the letter) and indicated that these financial statements were submitted as "alternative compliance engagement" audit reports. This statement suggests that you have confused the financial statement requirement with the compliance audit report requirement, since an "alternative compliance engagement" refers to a form of compliance audit rather than a financial statement. The financial statement and the compliance audit report are separate audited reports and serve different purposes. As explained in the February 13, 2006 letter, "The Institution must submit audited financial statements and a compliance audit to the Department every year. The financial statement enables the Department to assess the financial condition of the institution and the compliance audit evaluates the institution's compliance with program requirements."

The missing compliance audits for the fiscal years ended December 31, 2000, 2001, 2002 and 2003 were required to be submitted to the Department no later than March 30, 2006. The Department did not receive the required documents from the Institution by the March 30, 2006 due date and, therefore, the recertification application was determined to be materially incomplete and was denied.

Currently Enrolled Student Borrowers

Since Akademia Medyczna w Warszawie no longer qualifies for participation in FFEL, it must not certify any loans FFEL program loans for first time borrowers, or process any loan

deferments under the FFEL programs. Under certain circumstances, currently enrolled U.S. citizens and eligible non-citizens who had previously borrowed FFEL program loans to attend Akademia Medyczna while it was still an eligible institution, may be eligible to receive an additional loan for the next academic year. For your information, I have reprinted, below, the U.S. student aid regulation 34 CFR §600.57(c):

Notwithstanding the provisions of 34 CFR 668.26, if a foreign institution loses its eligibility under this subpart E, an otherwise eligible student, continuously enrolled at the institution before the loss of eligibility, may receive an FFEL program loan for attendance at that institution for the academic year succeeding the academic year in which the institution lost its eligibility, if the student actually received an FFEL program loan for attendance at the institution for a period during which the institution was eligible under subpart E.

This regulation means that if a U. S. citizen or an eligible non-citizen was continuously enrolled in an eligible program at Akademia Medyczna w Warszawie, and received a FFEL program loan before the institution's eligibility loss date of September 30, 2006, that student, assuming he/she is otherwise eligible, could receive a FFEL loan for the academic year in effect on September 30, 2006, and for the immediately following academic year. This regulation was put into place to help U.S. citizens and eligible non-citizens complete their programs or make other arrangements to attend another school that is eligible to participate in the FFEL programs. This provision, however, is not available to U.S. citizens and eligible non-citizens who have not previously borrowed FFEL program loans to attend your institution.

The Department's denial of the Institution's recertification application is based on FFEL program requirements and should not be interpreted to reflect negatively on the quality of the institution's academic program or the integrity of the institution's executives and instructors. In the event that Akademia Medyczna w Warszawie submits an application to participate in the Title IV, HEA programs in the future, that application must address the deficiencies noted in this letter.

If you have any questions concerning this letter, you may contact Ms. Barbara Hemelt, Team Leader of the Foreign Schools Team. Ms. Hemelt may be reached by phone at 202-377-4201 or by email at barbara.hemelt@ed.gov.

Sincerely,



M. Geneva Leon

Director

School Participation Teams – Northeast

Courtesy copy sent in PDF format by electronic mail to:

Professor Dr. Jerzy A. Polanski, Application Contact at eddziekan@rektorat.amwaw.edu.pl

OPE ID	Name	Address	Line 2	City	St	Zip
010795 00	Akademia Medyczna	61 Zwirki i Wigury		Warsaw		

Navigation: < [] >

Eligibility Status <input type="checkbox"/> Eligible <input type="checkbox"/> Loan Deferment Initial Date: 08/17/1982 Closure Date:		Certification Status SFAP: Last Update: 05/14/2007 <input type="radio"/> Fully Certified <input type="radio"/> Provisionally <input checked="" type="radio"/> Not Certified Conditions:	
Action: 08 ? Loss of Elig Reason: 32 ? Recertification Denied Date: 04/30/2007 Reasons: <		PPA PPA Sent/Notify Email Date: Execution Date: Expiration Date:	
EAPP <input type="checkbox"/> Application In-process Start: Submit: Purpose: Status:			



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APEI/373/2007

Warsaw, 15.05.2007

Mrs M. Genova Leon
Director
School Participation Teams – Northeast
Federal Student Aid
830 First Str, NE, Washington, DC 20202
USA

Dear Madam,

With reference to your letter dated April, 9th, 2007 regarding denial recertification application to participate in the Federal Student Financial Assistance Program, I would like to inform you that we have tried to contact Ms Barbara Hemelt, however she has never replied us.

In March 2006 we sent audited financial statements for fiscal year 2000, 2001, 2002, 2003 and 2004. In the same letter we submitted a current document of accreditation, valid till academic year 2010/2011. Such a document is issued every five years and confirms that our program fulfill all requirement in Poland. If this document does not fulfill your requirement, please inform us, what kind of procedure should our school follow to get recertification.

MAY 24 2007

PRODZIEKAN
II WYDZIAŁU LEKARSKIEGO
CS3 Centrum Nauczania w Języku Angielskim
Waldemar Koszewski
Dr hab. Waldemar Koszewski

