



Tuesday, February 25, 2014

UPS Delivery

Mr. Antonio Leano Reyes
President
Universidad Autonoma de Guadalajara
Avenida Patria No. 1201
Lomas del Valle, 3a. Seccion
Guadalajara, Jalisco MEXICO
44110

Re: **Return to Advance Method of Payment**
OPE ID: 00814700
DUNS: 811615871

Dear President Reyes:

I am writing to update you on the status of your school's authority to draw down funds under title IV of the Higher Education Act. The Foreign Schools Participation Division (FSPD) of Federal Student Aid in the U.S. Department of Education (the Department) has removed Universidad Autonoma de Guadalajara (UAG) from the HCM1 method of payment as a result of our review of the documentation submitted recently by UAG and representatives of the Government of the Commonwealth of Puerto Rico. Thus, UAG has been returned to the advanced method of payment, effective February 25, 2014. Accordingly, my letter of February 6, 2014, regarding the HCM1 Master Roster, and the transmittal e-mail of the same date from Charvelle Thomas, are no longer in effect and should be disregarded.

Under the advanced method of payment, UAG may now draw down Title IV funds in our G5 system without approval from this office. Additionally, UAG may discontinue submitting requests for payment to its regional Payment Analyst. Based on all of the circumstances outlined below, UAG is authorized to fully disburse the \$18,964,905 drawn down from the G5 system on January 3, 2014, in accordance with the applicable requirements of Title IV. I have outlined the background of this matter, and the reasons why we are able now to take these actions.

On November 26, 2013, FSPD placed the UAG's Medical Program on HCM1, and denied recertification of the Medical Program, because UAG had submitted school

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Federal Student Aid, School Participation Division – Foreign Schools
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certified data that showed that only 67.2% of its students and graduates who took Step 1 of the United States Licensing Exam (USMLE) administered by the Educational Commission for Foreign Medical Graduates (ECFMG) during calendar year 2012 received passing scores. Eligibility requirements for foreign graduate medical schools found at 34 C.F.R. § 600.55 (f) require that at least 75% of the school's students and graduates receive passing scores, unless the school had a clinical training program approved by a State as of January 1, 1992 and the school has, since 1992, continued to operate a clinical training program in at least one State that approves the program (34 C.F.R. § 600.55 (f) (2)) (the so-called "1992 Exemption"). Until now, we had not received sufficient documentation to enable us to conclude that UAG could be certified to participate under the "1992 Exemption."

After being informed by UAG of UAG's calendar year 2012 USMLE scores, and to provide UAG with every opportunity to continue the participation of UAG's Medical School, the Department sent letters requesting further information about the States' approvals' and operations of UAG's clinical training program on June 26, 2013 and September 11, 2013. The responses to these letters by the Institution failed to show that it met the January 1, 1992 exemption found at 34 C.F.R. § 600.55 (f) (2).

The November 26, 2013 HCM1 and recertification denial letter gave UAG until December 26, 2013 to submit factual evidence disputing the Department's findings. UAG submitted further evidence on December 23, 2013 purporting to show it met the 1992 exemption. Although the Department's review revealed that the evidence submitted failed to demonstrate any error in the Department's determination, the Department on January 10, 2014 permitted UAG an additional opportunity to demonstrate, on or before January 24, 2014, that it met the relevant Title IV institutional eligibility requirements. After review of all information received, including information submitted by UAG on or about January 24, 2014, along with information UAG had previously submitted, the Department concluded that the evidence before it was not sufficient to establish that UAG met the 1992 exemption, and notified UAG on January 31, 2014 of its decision to affirm the loss of eligibility of the medical program, effective April 30, 2013.

Following the January 31 notification, in February 2014, UAG, and various representatives of the Government of the Commonwealth of Puerto Rico including staff from the office of Honorable Pedro Pierluisi, Resident Commissioner for Puerto Rico, submitted extensive additional evidence to Department officials addressing whether UAG could qualify for the 1992 Exemption. In its analysis, the Department reviewed affiliation agreements between UAG and Puerto Rico hospitals that have been in effect continuously since before 1992; information that the Board (or its predecessors) has continuously, since before 1992, annually approved a substantial number of UAG 5th year students for Board-accredited 5th year internships provided in those hospitals that lead to regular licensure to practice medicine in Puerto Rico without further clinical training; and other documentation. This additional information also confirmed that Puerto Rico law establishes academic requirements for these internships and the Board conducts site visits of the hospitals regularly. After further review of this information concerning facts

specific to UAG's longstanding operation of the 5th year clinical training program in Puerto Rico, including signed statements from UAG and the Puerto Rico Board of Medical Licensure and Discipline (Board) certifying the accuracy of the facts of UAG's clinical training program in Puerto Rico, the Department has determined UAG qualifies for the 1992 Exemption. This determination is effective only with respect to the specific facts and evidence provided for assessing the 1992 Exemption as it applies to UAG.

In the future, if UAG continues to report USMLE pass rates that fall below the 75% pass rate threshold required by federal statute and regulation, it must also show it continues to qualify under the 1992 Exemption by showing it has continuously operated a state approved clinical training program in at least one state from January 1, 1992.

We look forward to continuing to work with the Puerto Rican Board of Medical Licensure and Discipline, and other government officials of the Commonwealth of Puerto Rico, especially with regard to eligibility in future years to further document the approval and oversight process of clinical training programs of foreign medical schools conducted in Puerto Rico, including UAG's.

The foregoing action does not preclude the Department from returning UAG to another method of payment or taking administrative action(s) against UAG. The denial of recertification of the Medical School is vacated; UAG's recertification application remains pending for decision before the Department. Please let me know if you have any questions about these matters.

Sincerely,



Michael Frola
Division Director
Foreign Schools Participation Division

Attachments: HCM1 Method of Payment Letter
Loss of Eligibility of Medical Program Letter
Certification of Information Regarding Universidad Autonoma de Guadalajara
School of Medicine
Certification of Information Regarding the Universidad Autonoma de
Guadalajara School of Medicine Clinical Programs

cc: Mr. Antonio Leano Reyes, President, aleano@uag.mx
Ms. Susana Leano, Financial Aid Director, susana@uag.edu