

Issue Brief: Federal Compliance Requirement for Distance Education - Regular and Substantive Interaction

Overview

Title IV of the Higher Education Act of 1965 (HEA), as amended (most recently in 2008), is the statutory framework that governs federal student financial aid programs in the United States. These programs include Pell Grants, Direct Loans, Federal Work-Study, and other aid that supports millions of students in accessing higher education. The HEA authorizes the U.S. Department of Education to administer these programs and issue regulations to ensure institutions meet eligibility requirements and uphold standards of academic quality and integrity.

In response to the growth of online learning, the U.S. Department of Education updated its regulations as of July 1, 2021, to clarify that only distance education—defined as involving regular and substantive interaction—qualifies for Title IV funding. These interactions must be initiated by instructors, include consistent, meaningful engagement between instructors and students, occur on a predictable schedule, and focus on academic content.

To be considered substantive, interactions must include activities such as direct instruction, feedback on coursework, or responses to student questions. The intent of this regulation is to uphold the academic quality of online courses by ensuring they provide engagement comparable to in-person instruction, and to prevent low-quality correspondence-style courses from receiving federal financial aid.

Statutory & Regulatory Authority

- Higher Education Act of 1965, Pub. L. No. 89–329, 79 Stat. 1219 (1965)
 - Codified as amended at 20 U.S.C. § 1001 et seq.
- Defined in [34 CFR 600.2](#) (effective July 1, 2021)
- Enforced by the U.S. Department of Education

Regular and Substantive Interaction (RSI) Implementation & Oversight

Regular and Substantive Interaction (RSI) oversight is a shared responsibility across academic affairs, online learning, compliance, and faculty. However, the central coordination often resides in the distance learning or academic affairs office, with faculty responsible for implementation and compliance offices ensuring institutional accountability. The following quick reference guide illustrates an institution’s shared approach to implementing RSI with fidelity.

Role/Office:	Responsibility for RSI:
Academic Affairs / Provost's Office	Sets policy, ensures academic integrity, oversees compliance at a high level.
Distance Learning Office	Designs training, LMS templates, and course review processes that support RSI.
Faculty	Delivers instruction that meets RSI requirements (interaction, feedback, engagement).
Department Chairs / Program Directors	Monitors course delivery, reviews syllabus, supports faculty adherence to RSI.
Institutional Research / Financial Aid / Compliance	Tracks Title IV compliance, documents RSI during audits or program reviews.
Accreditation Liaison Officer	Ensures RSI is addressed in accreditation reports and standards alignment.

Institutions must:

- Embed RSI expectations in policies, course design standards, and faculty development.
- Maintain documentation (e.g., syllabi, interaction logs, LMS analytics).
- Be prepared to provide evidence of RSI when audited or reviewed.

Who Audits Institutions for RSI Compliance?

Oversight Body:	Oversight Role:
U.S. Department of Education	Conducts program reviews and Title IV audits; enforces RSI through 34 CFR 600.2 to justify continued Title IV eligibility.
Accrediting Organizations	Evaluate instructional quality, which includes faculty engagement in online courses.
Financial Aid Compliance Audit and Independent Audit	External or internal auditors may review course materials, faculty interaction logs, and learning management system records to ensure consistent evidence of RSI which may be part of an institution's annual independent audit.
State Authorizing Agencies	In some states, agencies may check for RSI compliance as part of state authorization reviews.

Resources

- The FLVC Distance Learning and Student Services Members Council has developed a [comprehensive RSI guide](#) for Florida's online learning community to implement meaningful faculty-student interactions that meet federal requirements and foster academic excellence.
- Florida Instructional Designer Network's [webinar, Regular and Substantive Interaction \(RSI\)- From Washington Regulations to Real World Practice](#), is available for viewing on YouTube.
- [Federal Student Aid Knowledge Center resources](#) are available on their website.



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