



COMPLIANCE TIDBIT
By Kim Slote, policy analyst

COMMON MANUAL

The Cooperative Agreement for Guarantors Participating in the *Common Manual* was initially approved Sep. 10, 1995, last amended Aug. 18, 2016. This agreement between guarantors that administer the Federal Family Education Loan Program was for the purpose of publishing a common policy manual to be used as a guide for their schools, lenders, secondary market and servicer clients. For 2016-2017, the *Common Manual* Governing Board has contracted with Great Lakes Higher Education Guaranty Corporation to facilitate the development and adoption of policies that are consistent with the requirements of Title IV of the Higher Education Act of 1965, as amended, applicable regulations and other guidance published by the United States Department of Education. Policy proposals are presented to the *Common Manual* Governing Board for consideration and approval, before being incorporated into the *Common Manual*.

Proposed policy updates and technical edits can be submitted by anyone in the FFELP community. In addition, comments on current proposals are welcomed by GLHEC on behalf of the *Common Manual* Governing Board. Instructions for how to submit comments or to submit policy proposals and technical edits for the *Common Manual* can be found at the following links.

- [Submit Policy Proposals/Tech Edits](#)
- [Submit Comments on Policy Proposals](#)

The *Common Manual* Governing Board approved policy changes proposed in Batch 208 Jan. 19, 2017. Summaries of the most recent policy updates made to the Sep. 2016 reprint of the *Common Manual* will be posted to the *Common Manual* website at the following link <http://www.commonmanual.org> in the [Approved Policies](#) section. The common bulletin language for each policy change drafted by GLHEC is also provided at this link. The common bulletin language is attached to this compliance update, without revision, for your review. Changes made in the proposals will be incorporated into the *Common Manual* annual update. They will also be incorporated into the *Integrated Common Manual*, which is usually updated quarterly.

The nation's guarantors provide the following summaries to inform schools, lenders, and servicers of the latest *Common Manual* policy changes. These changes will appear in the manual's next annual update. These changes will also be incorporated into the Integrated *Common Manual*. The Integrated *Common Manual* is available on several guarantor websites, and it is also available on the *Common Manual's* website at www.commonmanual.org. Please carefully note the effective date of each policy change.

Mandatory and Mandatory Administrative Forbearance

Revised policy adds an additional cross-reference to Subsection 11.23.D, provide clarity to Subsection 11.24.C on certain mandatory forbearance types, and reference the applicable OMB-approved common forbearance request forms. Revisions also include additional regulatory citations. Common policy also explains in which cases use of the common mandatory forbearance forms is required and in which cases the lender may obtain alternate documentation.

Affected Section(s):	11.23.D Teacher Loan Forgiveness 11.24.C National Service, Loan Forgiveness, Department of Defense Repayment, or Active Military State Duty
Effective Date:	For mandatory forbearance forms distributed on or after June 1, 2016
Basis:	Dear Colleague Letter (DCL) GEN-16-02, issued January 29, 2016.
Policy Information:	1318/Batch 208
Guarantor Comments:	None.

FFELP Interest Rates

The Common Manual has been revised to update the Manual's text and corresponding Figures that display fixed and variable interest rates for FFELP Stafford loans. The changes to Subsection 7.4.A and Figure 7-1 removed fixed interest rates that never became effective for FFELP loans. The changes to Figure H-1 added variable interest rates changes to date.

Affected Section(s):	7.4.A Current Stafford Interest Rates Figure 7-1 Stafford Loan Interest Rates Figure H-1 Summary of Variable-Rate Conversion Provisions
Effective Date:	Changes in FFELP variable interest rates on July 1, 2011 and

thereafter.

Basis: HEA Sections 427A & 455.

Policy Information: 1319/Batch 208

Guarantor Comments: None