



FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

HEAL PROGRAM

On April 3, 2015, the USDE published an [electronic announcement](#): HEAL Program Information - Maximum HEAL Program Interest Rates for Quarter Ending June 30, 2015. The “Current Maximum Interest Rates” section of the [HEAL Interest Rates](#) page of the [HEAL Program Area](#) on the IFAP website has been updated with the maximum HEAL Program interest rates for the quarter ending June 30, 2015.

FFEL SPECIAL ALLOWANCE RATES

A [SAP Memo](#) was published by the USDE April 3, 2015: Federal Family Education Loan Program Special Allowance Rates for the Quarter Ending March 31, 2015. Attachments to the memo contain the quarterly special allowance rates computed for the quarter ending March 31, 2015. The bond equivalent rates of the 91-day Treasury Bills auctioned during the quarter are also provided. The average rates are below.

- Commercial Paper Rate .15 percent
- LIBOR Rate .17 percent
- Treasury Bill Rate .02 percent

ENTRANCE COUNSELING

Dear Colleague Letter [GEN-15-06](#) was published by the USDE April 6, 2015: Loan

Counseling Requirements and Flexibilities. The guidance in this DCL covers entrance counseling requirements and applies to all institutions participating in the Direct Loan Program. Included in the guidance are several questions and answers clarifying what institutions can and can't do for entrance counseling. This Dear Colleague Letter was published in response to a [Presidential Memorandum](#) issued June 9, 2014.

TRAINING

The USDE published Dear Colleague Letter [ANN-15-07](#) April 8, 2015: EDEExpress Online Training - EDEExpress Release 1.0 Online Training for 2015-2016. This online training is available on the Federal Student Aid E-training website located at <http://fsatraining.info>. The self-paced course for EDEExpress Release 1.0 provides step-by-step instruction on how to set up the Global, App Express, and Packaging modules, how to work with Institutional Student Information Records, and how to use the packaging module to award aid to your students.

Dear Colleague Letter [ANN-15-08](#) was published by the USDE April 28, 2015: Webinar Recording – COD System Update: 2015-2016 New Award Year Setup. FSA's recording of a March 2015 webinar on



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changes to the COD system is available for viewing. The webinar provides information for financial aid office personnel at both domestic and foreign schools about upcoming changes and enhancements to the COD system for the 2015-2015 Award Year.

FEDERAL STUDENT AID ID

On April 13, 2015, the USDE published an [electronic announcement](#): FSA ID/PIN Replacement – Implementation on May 10, 2015. A new login process for the USDE student and borrower-based websites has been implemented as of May 10, 2015. Websites affected include the following:

- FAFSA on the Web
- NSLDS Student Access
- StudentLoans.gov
- StudentAid.gov
- TEACH Grant website

The new FSA ID is a single sign-on process consisting of a user-selected username and password for students, parents and borrowers to authenticate their identity when accessing their federal student aid information. Subsequent announcements related to this topic with additional instructions for transition to the new FSA ID are provided below.

- [May 4, 2015 Electronic Announcement: FSA ID/PIN Replacement – How to Create an FSA ID Guide](#)
- [May 7, 2015 Electronic Announcement: FSA ID/PIN Replacement – Please Add Fsaaid.ed.gov as Trusted Domain Address](#)
- [May 11, 2015 Electronic Announcement: FSA ID/PIN Replacement – Successfully Implemented on May 10, 2015](#)

CAMPUS-BASED PROGRAMS

An [electronic announcement](#) was published by the USDE April 14, 2015: Application for Designation as a Title III or Title V Institution and Request for a Waiver of the Non-Federal Share Requirement for the Campus-Based Programs. Information in the announcement explains potential institutional eligibility for waivers of the requirement to provide a non-federal share under the Federal Work-Study and Federal Supplemental Education Opportunity Grant programs. To be eligible, an institution must be designated as a Title III/V institution by the USDE. Links to the appropriate applications and instructions are outlined in this announcement, along with contact information for questions.



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The USDE published an [electronic announcement](#) April 22, 2015: Electronic Processing Option for Perkins Loan Assignments Planned for Fall 2015. The USDE plans to implement a new electronic Perkins Loan assignment process later this year. This process will enable schools to electronically submit Federal Perkins Loan assignment information to the USDE, once functionality has been implemented. Additional information is provided in the announcement giving a high level summary of the process, preliminary information about the batch file process and the expected timeframe for implementation. A draft Perkins Loan assignment system batch file layout is attached to the announcement.

On April 23, 2015, the USDE published an [electronic announcement](#): Final FISAP Form, Instructions, Desk Reference, and Technical Reference for FISAP Due by Oct. 1, 2015. The Fiscal Operations Report for 2014-2015 and Application to Participate for 2016-2017 was approved by the Office of Management and Budget and is now available on the Information for Financial Aid Professionals website. The announcement provides information on updates and outlines changes to the form and instructions.

THE ORANGE BOOK

The USDE published an updated [electronic announcement](#) April 15, 2015: Federal Perkins Loan Program Status of Default as of June 30, 2014 (Orange Book) (Originally published March 23, 2015). Both the PDF and spreadsheet attachments were replaced to correct the award year reference in the heading for Column A and the year reference in the heading for Column B. The data is correct in the attachments and has not been changed. [The Orange Book](#) is a report that provides a cohort default rate for each school that participated in the Federal Perkins Loan Program during the 2013-2014 Award Year. Information in the report is based on data provided by schools in the Fiscal Operations Report for 2013-2014 and Application to Participate for 2015-2016. Schools listed on the report are organized alphabetically by state or territory.

TECHNICAL

An [electronic announcement](#) was published by the USDE April 17, 2015: Availability of EDEExpress for Windows 2015-2016, Release 2.0. Upgrades provided in the EDEExpress for Windows 2015-2016, Release 2.0, add full functionality for the 2015-2016 award cycle for the Federal Pell Grant, Direct Loan and Teacher Education Assistance for College and Higher



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Education Grant. The new version is available for download at <https://fsadownload.ed.gov>.

On April 17, 2015, the USDE published an [electronic announcement](#): Availability of Service Release Update for EDEExpress for Windows 2014-2015, Release 3.0. Several enhancements to the Direct Loan module for the 2014-2015 award cycle, were implemented by this service release, which includes the ability to print an import edit report for the new Credit Status Response (CRCS15OP) for Direct PLUS and Grad PLUS loans and revisions to data edits for adjustments to Disbursement Date, Payment Period Start Date and Loan Period Start/End Date values. Additional instructions and guidance are provided in the announcement. You will only need to install this service release if you process Direct Loan records using EDEExpress 2014-2015.

150% DIRECT SUBSIDIZED LOAN LIMIT

The USDE published an [electronic announcement](#) April 20, 2015: 150% Direct Subsidized Loan Limit: Electronic Announcement #17 – School Misreporting of Data to COD and NSLDS. According to the USDE, many schools are misreporting the academic year dates to the Common Origination and Disbursement System and

program length to both COD and the National Student Loan Data System. Because misreporting these data elements adversely affect students, data submitted by schools to COD and the NSLDS is being monitored closely by the USDE. This issue is critical as students may receive loans for which they are not eligible, be denied loans they are eligible for, or lose eligibility for interest subsidy when they should not, due to incorrect data. Detailed information is provided in the announcement on how to correctly report the academic year dates to COD and the program length to both COD and the NSLDS.

FINANCIAL LITERACY

An [electronic announcement](#) was published by the USDE April 21, 2015: New Financial Literacy Guidance Available for Counselors and College Access Professionals. Federal Student Aid announced the availability of their [Financial Literacy Guidance](#) designed to help improve postsecondary students' financial management skills. This guidance is for use as a resource to inform financial aid recipients and students about key financial concepts. Other financial literacy resources for financial aid professionals, counselors and mentors can be found on the Financial Aid Toolkit's search page at FinancialAidToolkit.ed.gov/resources.



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REFERENCE GUIDES

The updated reference guides below were published by the USDE in the month of April. The guides listed are linked with the corresponding electronic announcement with the date of publication.

- [Volume 1 – Student Eligibility \[2015-2016 Federal Student Aid Handbook\] – April 21, 2015](#)
- [2014-2015 COD Technical Reference \(April 2015 Update\) – April 21, 2015](#)
- [2015-2016 COD Technical Reference \(April 2015 Update\) – April 21, 2015](#)

SEQUESTER REQUIRED CHANGES

Dear Colleague Letter [GEN-15-07](#) was published by the USDE April 23, 2015: FY 2016 Sequester Required Changes to the Title IV Student Aid Programs. Information provided in this letter include sequester required decreases to loan fees in the Direct Loan Program where a first disbursement is on or after Oct. 1, 2015. Loan fees charged to borrowers for Direct Subsidized, Direct Unsubsidized and Direct Plus Loans, with a first disbursement made on or after Oct. 1, 2015 and before Oct. 1, 2016, will be decreased to the following percentage:

- Direct Subsidized 1.068%
- Direct Unsubsidized 1.068%
- Direct Plus 4.272%

Institutions may begin April 28, 2015, to submit Direct Loan origination records into the COD System, as long as the correct loan fees are provided for first disbursements on or after Oct. 1, 2015. There are also required reductions to the Iraq-Afghanistan Service Grant and TEACH Grant awards where first disbursements are on or after Oct. 1, 2015. Required reductions for the Iraq-Afghanistan Service Grant and TEACH Grant awards, for first disbursements on or after Oct. 1, 2015 and before Oct. 1, 2016, are listed below:

- Iraq-Afghanistan Service Grants will be reduced 6.8% from the statutory award amount.
- TEACH Grants will be reduced 6.8% from the statutory award amount.

NACIQI

On April 29, 2015, the USDE published a [Federal Register Notice](#): National Advisory Committee on Institutional Quality and Integrity (NACIQI) Meeting. This notice provides the time and location of the NACIQI meeting scheduled for June 25-26, 2015. The meeting will be held at the Sheraton Pentagon City, 900 S. Orme Street,



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Arlington, VA 22204, from 8:00 a.m. to 5:30 p.m. each day. Information about the meeting was originally published in the [March 27, 2015, Federal Register Notice](#).

FEDERAL SCHOOL CODE LIST

The USDE published an [electronic announcement](#) on April 30, 2015: 2015-2016 Federal School Code List of Participating Schools (May 2015). The [Federal School Code List](#) includes schools participating in the Title IV federal student aid programs and the unique codes assigned to them by the U. S. Department of Education. These codes are used by students to indicate which postsecondary schools will receive the processed application results from their Free Application for Federal Student Aid. Instructions are given in the announcement for updating your school's FSC information.