



FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

FEDERAL PERKINS LOAN PROGRAM

On Jan. 30, 2015, the USDE issued Dear Colleague Letter [GEN-15-03](#): Wind-down of the Federal Perkins Loan Program. A status update on the Federal Perkins Loan Program is provided in this DCL, along with information regarding the wind-down of the program and school's limited authority to continue making loans to certain students after Sep. 30, 2015. Also included, is an explanation of the "grandfathering" provisions that allows a school to make Federal Perkins Loans to certain students for up to five additional years. More information will be given on this topic over the next several months.

DIRECT LOAN CLOSEOUT

The USDE published an [Electronic Announcement](#) Feb. 2, 2015: Direct Loan Closeout Information for 2013-2014 Program Year. The announcement provides important reminders and outlines school responsibilities related to Direct Loan closeout for the 2013-2014 program year. To be considered successfully closed out, a school must-

- Have an Ending Cash Balance of \$0 and Total Net Unbooked Disbursements of \$0 internally, and

as reflected on the School Account Statement, and

- Complete the Balance Confirmation on the [COD website](#).

The deadline for the Direct Loan closeout for the 2013-2014 program year is Friday, July 31, 2015. For more information regarding the Direct Loan closeout process, review the [Frequently Asked Questions](#) attached to the electronic announcement.

TRAINING

A Dear Colleague Letter [ANN-15-02](#) was issued by the USDE Feb. 3, 2015: Webinar Recording-Software Developers January 2015 Webinar. The webinar provided operational updates on two Federal Student Aid systems, the Common Origination and Disbursement System and the Central Processing System. No registration is required to view this recorded training session. To access the webinar, along with presentation slides and transcript, paste the following link into your web browser and click enter.

<http://ifap.ed.gov/ifap/ifapMedia.jsp#0115SoftwareDevelopersWebinar012115>

DIRECT PLUS LOAN PROGRAM

An [Electronic Announcement](#) was published by the USDE Feb. 3, 2015: Direct PLUS



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Loan Changes – Operational Impacts to Schools and Preliminary COD System Information. This DCL is the first in a series of announcements to provide information about operational changes to the Direct PLUS Loan adverse credit history provisions. Preliminary information about planned changes for the COD System and an explanation regarding the early operational impacts to schools are also provided. Implementation of the changes to the COD System will occur during the period March 27-29, 2015. The implementation date for the new regulations and procedural changes will be March 29, 2015. For more information, review the second and third in the series of announcements listed below. More announcements are expected in the future.

- [Direct PLUS Loan Changes-COD System Changes for PLUS Counseling to be Implemented March 27-29, 2015 – dated Feb. 27, 2015](#)
- [Direct PLUS Loan Changes-System Changes for the Determination of Adverse Credit History and the Duration of a Credit Check \(from 90 Days to 180 Days\) to be Implemented March 27-29, 2015 – dated Feb. 27, 2015](#)

REFERENCE GUIDES

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

- [2015-2016 COD Technical Reference - Feb. 4, 2015](#)
- [Application and Verification Guide \(2015-2016 Federal Student Aid Handbook\) – Feb. 9, 2015](#)
- [NSLDS Gainful Employment User Guide \(Feb. 2015\) – Feb.11, 2015](#)
- [Appendix F – Institutional Reporting and Disclosure Requirements for Federal Student Assistance Programs \(2014-2015 Federal Student Aid Handbook\) - Feb. 20, 2015](#)
- [Appendices \(2014-2015 Federal Student Aid Handbook\) – Feb. 23, 2015](#)

FSA DATA CENTER

The USDE published an [Electronic Announcement](#) Feb. 6, 2015: Federal Student Aid Posts Updated Reports to FSA Data Center. The [FSA Data Center](#) is a centralized online source for Federal Student Aid data. The application, loan, grant and portfolio reports are updated by Federal Student Aid quarterly. The reports recently



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posted reflect activity as of Dec. 31, 2014. The announcement outlines the reports available, along with several key findings based on those reports.

- Gainful Employment Record Layouts Available

FAFSA COMPLETION INITIATIVE

NSLDS

On Feb. 6, 2015, the USDE published [Newsletter 47](#): Recent NSLDS Enhancements. Recent enhancements to the National Student Loan Data System and the [NSLDS Professional Access Web site](#) are described in this newsletter. These changes include:

- 2015-2016 Eligibility Enhancements:
 - Updates to the Prescreening and Postscreening Processes
 - Updates to the Transfer Student Monitoring (TSM) and Financial Aid History (FAH) Process and Batch File Layouts
 - Update to the Aggregate Loan Limit Tolerance
- Enhancements to Enrollment Reporting Web Pages:
 - Enrollment Maintenance Page for Student Address Reporting
 - Enrollment Reporting Profile Preferences - File Type Options

Dear Colleague Letter [GEN-15-04](#) was issued by the USDE Feb. 9, 2015: Statement of Policy for Nonprofit College Access Organizations Presumed to Qualify as Additional Designated Entities Under the *FAFSA® Completion Initiative*. The Secretary has identified nonprofit college access organizations as an additional set of “designated entities” that may be eligible, on a case-by-case basis, to receive FAFSA Filing Status information. This DCL outlines the criteria that nonprofit college access organizations are required to meet to qualify as designated entities eligible to receive FAFSA Filing Status Information under the *FAFSA® Completion Initiative*. The first set of designated entities was identified in Dear Colleague Letter [GEN-14-12](#), published July 10, 2014.

An [Electronic Announcement](#) was published by the USDE Feb. 6, 2015: FSA Tool Publishes FAFSA Completion Numbers for the High School Graduating Class of 2015. The FAFSA Completion Tool is designed to help guidance professionals, school administrators and practitioners both track and subsequently increase FAFSA completions at high schools across the



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country. Data is provided at StudentAid.gov/FAFSA-HS-Data. For additional resources and tools to aid in increasing FAFSA completion, be sure to visit the [Financial Aid Toolkit](#) website.

CAMPUS-BASED PROGRAMS

The USDE published an [Electronic Announcement](#) Feb. 10, 2015: 2013-2014 Campus-Based Awards Closeout. The 2013-2014 awards closeout process for the Campus-Based programs is provided along with information regarding the notification process. Other topics discussed in the electronic announcement cover the following:

- Adjusting an Incorrect 2013-2014 FISAP Expenditure Report
- Closeout Amount in G5 and on G5 Reports
- Closeout Amounts Determination Process
- Notification of Award Decrease

An [Electronic Announcement](#) was published by the USDE Feb. 24, 2015: 2015-2016 Final Funding Authorizations for the Campus-Based Programs. The final 2015-2016 Campus-Based programs funding worksheets and the 2015-2016 Statement of Account for each of the Campus-Based programs will be posted to the [eCampus-](#)

[Based website](#) by April 1, 2015. Important information related to the final funding authorizations is provided in the electronic announcement to include the following:

- How the Campus-Based Awards for a School are Determined
- Returning more than 10 percent of the 2013-2014 Allocation for one of the Campus-Based Programs Affects a School's 2015-2016 Allocation
- Notification of 2015-2016 Campus-Based Allocations
- Reallocation of Additional Campus-Based Funds for the 2015-2016 Award Year
- "Total Authorized Level of Expenditure" or "LOE" for the Federal Perkins Loan Program

GAINFUL EMPLOYMENT

On Feb. 11, 2015, the USDE published an [Electronic Announcement](#): Gainful Employment Electronic Announcement #52-NSLDS Functionality Now Available for Voluntary Gainful Employment Reporting. The gainful employment reporting functionality on NSLDS is now available. While the deadline for institutions to report GE Program information isn't until July 31, 2015, GE data can be submitted on a voluntary basis using the online reporting option or the batch file process through the



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Student Aid Internet Gateway. Links to the [NSLDS Gainful Employment User Guide](#), spreadsheet submittal format and other resources are provided in the announcement.

LOAN PROCESSING

The USDE published an [Electronic Announcement](#) Feb. 12, 2015: Updated Guidance on Making Direct Loan Refunds of Cash. Schools are reminded of the correct process for making a Direct Loan refund of cash in this announcement. There are also several important notes for schools to clarify the requirements. For the most accurate and timely processing, schools should refund cash electronically through the [G5 website](#). Foreign schools should refer to the “Funding Process Overview” document on the [Foreign School Information web page](#) for information on returning funds electronically.

TEACH GRANT PROGRAM

A [Federal Register](#) Notice was published by the USDE Feb. 18, 2015: TEACH Grant-Agreement to Serve. The USDE is requesting comments on a proposed revision of an existing information collection, the Teacher Education Assistance for College and Higher Education Grant Program Agreement to Serve. Comments must be submitted to the USDE on or before March

20, 2015. All written comments submitted will be considered public records.

3-YEAR COHORT DEFAULT RATES

An [Electronic Announcement](#) was published by the USDE Feb. 23, 2015: FY 2012 3-Year Draft Cohort Default Rates Distributed Feb. 23, 2015. FY 2012 Draft Cohort Default Rate notification packages were distributed to all eligible domestic and foreign schools, guaranty agencies and lenders. Instructions are provided in the announcement for making Incorrect Data Challenges and Participation Rate Index Challenges. Additional information regarding the school cohort default rate calculation or the challenge processes can be found in the [Cohort Default Rate Guide](#). The time period for challenging a school’s FY 2012 3-Year Draft Cohort Default Rate began March 3, 2015.

FOREIGN SCHOOLS

A [Foreign School Update](#) was published by the USDE Feb. 23, 2015: ACTION REQUIRED-Steps to be Taken by Foreign Schools Affected by the National Student Clearinghouse’s Discontinuation of Enrollment Reporting Services. The National Student Clearinghouse previously conducted enrollment reporting on behalf of foreign schools. Effective Nov. 14, 2014,



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they no longer provide this service. Foreign schools must now report enrollment information to the NSLDS directly. This announcement outlines necessary actions for foreign schools to begin enrollment reporting to the NSLDS.

FINANCIAL AID SHOPPING SHEET

On Feb. 24, 2015, the USDE published an [Electronic Announcement](#): 2015-2016 Financial Aid Shopping Sheet. Updates, HTML specifications and the Institutional Metric Data file for the 2015-2016 Financial Aid Shopping Sheet are provided in this announcement.