



## FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

### TRAINING

On April 3, 2014, the USDE published Dear Colleague Letter [ANN-14-08](#): Webinar Recording-New Direct Consolidation Loan Process. A recording of Federal Student Aid's webinar on the new Direct Consolidation Loan Process is available, including presentation slides and transcript. It is not necessary to register to view the session at the following link: <http://ifap.ed.gov/ifap/ifapMedia.jsp#NewDirectConsolidationLoan>. This webinar was originally presented on March 25, 2014 and provides a detailed walkthrough of the application process on the [StudentLoans.gov](#) website.

Dear Colleague Letter [ANN-14-09](#) was published by the USDE April 21, 2104: Online Training Module-Satisfactory Academic Progress. This training is an online, self-paced module about satisfactory academic progress. It includes information on how to develop and successfully implement an SAP policy at your institution. Financial aid professionals with responsibility for monitoring students' satisfactory academic progress are encouraged to enroll in the training at the Federal Student Aid E-Training website located at <http://fsatraining.info>. Information on where to locate the training on the website is provided in the DCL.

### FEDERAL STUDENT AID HANDBOOK

The USDE published an [Electronic Announcement](#) April 3, 2014: Application and Verification Guide [2014-2015 Federal Student Aid Handbook]. The updated [Application and Verification Guide](#) has been posted to the [Information for Financial Aid Professionals website](#) for 2014-2015. The Federal Student Aid Handbook includes six numbered volumes in addition to the Application and Verification Guide. As each volume is updated, the community will be notified through an electronic announcement.

### FREE APPLICATION FOR FEDERAL STUDENT AID

An [Electronic Announcement](#) was published by the USDE on April 4, 2014: Overview of April 2014 Enhancements to the FAFSA on the Web Site. Several enhancements to the FAFSA on the Web site were implemented on April 13, 2014. Financial aid administrators and support staff should familiarize themselves with the following changes outlined in the announcement to better assist applicants and their parents.

- Updated Response to HS Diploma/GED Question



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- Clarified Guidance on Reporting Non-Custodial Parent Support
- Clarified Confirmation Page Guidance for Parental Data Transfer Option
- Additional DOMA-Related Label and Dynamic Text Updates

Contact Information is provided for the Federal Student Aid Information Center should you have additional questions.

### VERIFICATION

On April 4, 2014, the USDE published an [Electronic Announcement](#): Overview of April 2014 Flat File Enhancement to Identity Verification Results Functionality on FAA Access to CPS Online Website. The Identity Verification Results feature added to the 2014-2015 version of the FAA Access to CPS Online website was expanded April 13, 2014, to allow users to upload flat files containing verification results for up to 2,000 students at a time. This announcement explains how to prepare your Identity Verification Results Files and the procedures for uploading those files. Once your submission is completed successfully, you will receive a confirmation page that can be printed for your records.

An [Electronic Announcement](#) was published by the USDE April 17, 2014: 2014-2015

FAFSA Verification-IRS Tax Return Matrix. This matrix is designed to assist financial aid administrators in mapping 2013 IRS Tax Return Transcript information to FAFSA/ISIR data. The IRS Transcript does not have line or item numbers and uses different wording than what is used on the FAFSA. The matrix is attached to the announcement and is in Excel format.

### STATE AUTHORIZED EXAMS

On April 11, 2014, the USDE published Dear Colleague Letter [GEN-14-06](#): Recognized Equivalent of a High School Diploma. Information is provided on the appropriate response for the high school completion status question on the 2013-2014 and 2014-2015 FAFSA. A student who has obtained a GED or passed another state-authorized examination will need to select option 2 for question #26 for both years. To review additional information on the recognized equivalents of a high school diploma, see Volume 1, Chapter 1, of the FSA Handbook.

### PROGRAM INTEGRITY

An [Electronic Announcement](#) was published by the USDE April 11, 2014: Program Integrity Questions and Answers Website Update. The verification portion of this website was updated to archive guidance



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that only pertains to the 2012-2013 award year. References that aligned guidance to a particular award year were removed to allow that guidance to apply across multiple award years. Changes made are listed in the announcement. The Program Integrity Information website can be viewed at the following link:

<http://www2.ed.gov/policy/highered/reg/hea/rulemaking/2009/integrity-qa.html>.

### NATIONAL STUDENT LOAN DATA SYSTEM

The USDE published an [Electronic Announcement](#) April 11, 2014: 150% Direct Subsidized Loan Limit: Electronic Announcement #13-Subsidized Usage Period Data and New Web Functionality Added to NSLDS Beginning April 14, 2014. The National Student Loan Data System has loaded 150 Percent Subsidized Usage Period (SUP) data from the Common Origination and Disbursement System. This data is displayed on the new Subsidized Usage page on the NSLDS Professional Access website. It is also available to the Central Processing System to be included on the Institutional Student Information Record and the Student Aid Report. Later this summer, the data will appear on the NSLDS Student Access website.

The USDE published a Dear Colleague Letter [GEN-14-07](#) April 14, 2014: Changes to NSLDS Enrollment Reporting: Program-Level Reporting and More Frequent Reporting. Instructions for institutions and deadlines for required changes are outlined in this announcement. Topics explained include the following:

- Statutory and Regulatory Provisions
- Timing of Changes
- More Frequent Reporting
- Program-Level Enrollment Reporting Required
- Enrollment Record Types
- New Enrollment Status Code “Q”
- Protecting Interest Subsidy
- Reporting a Student’s Enrollment at the Eight-Digit OPEID-Level
- Reporting Transfer Students on Enrollment Rosters

It is important for schools to remember that they are responsible for ensuring enrollment information is submitted timely, accurately and completely, even when using a third party servicer.

A [Newsletter](#) was published by the USDE April 24, 2014: Newsletter 45: April 2014 Enhancements to NSLDS. Recent enhancements to the NSLDS and [NSLDS](#)



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[Professional Access website](#) are explained in the newsletter. Modifications include;

- Updates to support the 150 Percent Direct Subsidized Loan Limit
- Updates to enrollment reporting
- A new Student Contact Information page
- Enhancements to accommodate schools with more than 99 locations
- New fields on the Loan Details page

An [Electronic Announcement](#) was published by the USDE April 25, 2014: Availability of New NSLDS Enrollment Reporting Guide (April 2014). This updated guide replaces the version posted Jan. 2013. Changes incorporated are the latest enrollment reporting requirements and those related to the 150 Percent Direct Subsidized Loan Limit.

### PELL GRANT LEU DISPUTE PORTAL

On April 18, 2014, the USDE published an [Electronic Announcement](#): Pell Grant LEU Information-New Pell Grant LEU Dispute Portal Tool Available on COD Web Site. A change in how schools initiate a Pell Grant Lifetime Eligibility Used dispute escalation for a student is explained in this announcement. The conditions for a dispute have not been altered, only the method in which the dispute is recorded within the

COD System. Key COD System updates related to the new Pell Grant LEU Dispute Portal are provided, as well as attachments covering the following topics:

- Attachment #1, Pell Grant LEU Dispute Escalation Process – This document reminds schools of the required steps to take regarding a Pell Grant LEU dispute (it replaces the attachment to the June 27, 2013 Electronic Announcement).
- Attachment #2, Pell Grant LEU Dispute Portal Guide – This document provides an overview of the Pell LEU Dispute Portal as well as screenshots of the new pages.
- Attachment #3, Pell Grant LEU Dispute Portal Documentation Upload Limitations – This document provides the file limitations of the new documentation upload process.

### FORMS

The USDE published Dear Colleague Letter [GEN-14-08](#) April 18, 2014: Revised Income-Driven Repayment Plan Request Form. Renaming the form and adding information about the terms and conditions of the Income-Based Repayment Plan, effective on or after July 1, 2014, were the only substantive changes made to the form. Other changes involve reformatting the form



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to make it more accessible to those with visual impairments. A copy of the form is attached to this announcement in PDF format.

Dear Colleague Letter [GEN-14-09](#) was also published by the USDE April 18, 2014: OMB-Approval of the Financial Disclosure for Reasonable and Affordable Rehabilitation Payments Form. This new form is available for use by participants in the Direct Loan and Federal Family Education Loan Programs, for borrowers who request loan rehabilitation of a defaulted loan on or after July 1, 2014. The final regulations requiring this form were published in the Federal Register on Nov. 1, 2013. The expiration date of the form is March 31, 2017. A copy of the form is attached to this announcement in PDF format.

### COMMON ORIGINATION AND DISBURSEMENT SYSTEM

On April 24, 2014, the USDE published an [Electronic Announcement](#): COD System Operational Notice-Direct Loan Origination Fee Percentages Will Change for FY 2015. For each federal fiscal year that the Budget Control Act of 2011 (otherwise known as the sequester law) is in effect, the loan origination fee percentages for Direct Subsidized Loans, Direct Unsubsidized

Loans and Direct Plus Loans will change. Required mandatory sequester changes for FY 2015 will be effective Oct. 1, 2014. This indicates a change in the Direct Loan origination fee percentages for loans that are first disbursed on or after Oct. 1, 2014 and before Oct. 1, 2015. A Dear Colleague Letter and Electronic Announcement will be published with operational updates and the new fee percentages in the near future. Schools are strongly encouraged to refrain from submitting origination records to the COD System for Direct Loans with first disbursements on or after Oct. 1, 2014. Corrections will be required for any loan records submitted prior to the upcoming operational guidance.

### THE ORANGE BOOK

The USDE published an [Electronic Announcement](#) April 29, 2014: Federal Perkins Loan Program Status of Default as of June 30, 2013 (Orange Book). 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 2012-2013 Award Year. Information in the report is based on data provided by schools in the Fiscal Operations Report for 2012-2013 and Application to Participate for 2014-2015. Schools listed on the report are organized alphabetically by state or territory.