



NEWSLETTER

JULY - SEPT 2012

VOLUME 4, ISSUE 3

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Achieve a Higher Standard... with HEAG!

Message from Milton

Late August and then September are always challenging but rewarding with the beginning of the school year. All of us at HEAG wish you all the very best of luck meeting those challenges. When necessary, please consider allowing HEAG to assist you with these challenges. Our best days are when we have assisted you with your administrative tasks, while you deal with a universe of demanding students and parents. Good Luck!

- Milton Kerstein, President

COURT VACATED MOST OF THE GAINFUL EMPLOYMENT REGULATIONS

July 6, 2012

Author: Jeff Baker, Director, Policy Liaison and Implementation, Federal Student Aid

Subject: Gainful Employment Electronic Announcement #39 - Status of Gainful Employment Regulations

On June 30, 2012, the U.S. District Court for the District of Columbia, in the Association of Private Sector Colleges and Universities (APSCU) v. Duncan, issued a decision that vacated most of the gainful employment regulations that the Department published on October 29, 2010 and June 13, 2011 and remanded those regulations to the Department for further action. The following is the statement the Department released in response to that ruling:



“The court clearly upheld the authority to regulate college career programs, but found that the Department had not provided enough explanation of its debt repayment measure, so it has given the Department an opportunity to address that concern. We are reviewing our legal and policy options to move forward in a way that best protects students and taxpayers while advancing our national goal of helping more Americans get the skills they need to compete in the global economy.”

The Department is reviewing the details of the Court’s decision in consultation with the Department of Justice and evaluating appropriate next steps.

The following is some background on the Court’s decision.

It is important to note that while the Court vacated most of the gainful employment regulations based upon one issue raised during the court case, it upheld the Department’s authority to regulate gainful employment programs. The Court determined that the Department did not provide a sound reason for setting the repayment rate failure threshold at 35 percent. And, because of the interrelationship of that provision with most of the other gainful employment requirements, the Court vacated the repayment rate metric as well as the debt-to-income gainful employment metrics that would have gone into effect July 1st 2012. The Court also vacated the gainful employment program reporting requirements and requirements about adding new gainful employment programs that previously went into effect on July 1, 2011. The Court left in place the gainful employment disclosure provisions that require institutions to disclose certain information on their web pages for each gainful employment program, including on time completion rates and information about tuition and costs.

As we continue to analyze the Court’s decision, we will provide updated information on how the decision impacts postsecondary institutions. At this time we are providing the following guidance.

Reporting– As noted, the Court’s decision vacated the gainful employment reporting requirements in 34 CFR 668.6(a). Therefore, institutions are not

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required to submit gainful employment reports for the just ended 2011-2012 award year.

In response to requests from several institutions, institutions may voluntarily submit corrections to previously reported gainful employment information. System changes to the National Student Loan Data System (NSLDS) that are scheduled to be available in late July will also make it easier for institutions to update previously reported gainful employment information if they choose to do so. A separate IFAP announcement explaining those changes to NSLDS will be posted shortly.

New Gainful Employment Programs – As noted, the Court vacated the gainful employment new program requirements of the regulations. Thus, the revisions made to 34 CFR 600.10(c) and 34 CFR 600.20 that went into effect July 1, 2011 are no longer applicable and institutions should refer to those regulatory sections as they existed prior to July 1, 2011. Institutions do not have to provide the Department with the 90 day notice of intent to offer a new gainful employment program, and approvals for new programs are only required as indicated in the regulations in effect prior to July 1, 2011.

Disclosures - As discussed above, the Court left in place the October 29, 2010 regulations at 34 CFR 668.6(b) that require institutions to disclose certain information about each of their Gainful Employment Programs. Those regulations took effect July 1, 2011 and state that institutions must use the disclosure template provided by the Department when it becomes available. We are reviewing the disclosure template to ensure that it complies with the Court's decision, and will announce further information on this issue soon. Institutions are not required to update their disclosures until further information is provided later this month.

ABILITY TO BENEFIT (ATB) REGULATION IS ELIMINATED JULY 1, 2012

Ability-to-Benefit - Public Law 112-74 amended HEA section 484(d) to eliminate Federal student aid eligibility for students without a "certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate." The law makes an exception for students who have completed a secondary school education in a home school setting that is treated as a home school or private school under State law.

Therefore, students who do not have a high school diploma or a recognized equivalent (e.g., GED), or do not meet the home school requirements, and **who first enroll in a program of study on or after July 1, 2012**, will not be eligible to receive Title IV student aid. Students will qualify for Title IV student aid under one of the ability-to-benefit (ATB) alternatives if the student was enrolled in a Title IV eligible program prior to July 1, 2012. Those alternatives include the student passing an independently administered, approved ATB test or successfully completing at least six credit hours or 225 clock hours of postsecondary education.

We will continue to post additional updates to the IFAP website (ifap.ed.gov) about the status of the gainful employment regulations and the continuing program disclosure requirements.

The Webinar scheduled for July 11 on understanding the GE Information Rates will take place, and the Department will respond to questions to assist institutions in understanding and using the gainful employment informational rates as a program assessment aid for institutions.

Thank you for your continued cooperation and understanding.



By Ray Nault

Vice President of Technology and Compliance, HEAG
rnault@heag.us

The FALL 2012 semester is underway. This should hopefully mean we can enjoy the successes and opportunities of the 2012-2013 awarding cycle. As I have traveled the country and spoken with a variety of financial aid professionals, the feedback I am getting is that this past year has been a challenging year. Many schools are now looking for creative ways to manage the increasing demand for financial aid resources with ever increasing workloads.

This past year I have had the fantastic opportunity of being the Interim Director of Financial Aid at two institutions. In this role, I encouraged the staff to use sticky notes to identify both big and little things that would typically get lost in the mire of a busy day. This tip was a time saver and great way to not change a process during the awarding cycle but to keep track of the things they did well and areas where they struggled. Much to my amazement and excitement, the staff at both institutions loved this idea and to date, we have items ranging from how to code dependency override to changing the wording on the self-service portal, which we then incorporated into the new awarding cycle.

The exciting part of this little exercise is that the staff was able to offer ideas and have input into the financial aid process at their institution. In addition, this created the opportunity for the staff to create real change in the way their school does business in the hopes this will improve student success, more work satisfaction for them and overall better ways to conduct business.

A Business Process Review (BPR) is a fantastic way to review what was done in the previous year and to lay a new plan for the next. A BPR takes a look at every key business function in the office and facilitates discussion on how this process is working and what changes can be made to make it better. A good BPR at the end of each awarding cycle followed by a well laid plan for the next cycle is a key to much success for students and staff.

E-CAMPUS AND FISAP NOW AVAILABLE

July 31, 2012

By **William Leith,**

Service Director, Program Management, Federal Student Aid

Subject: eCampus-Based Application for the Fiscal Operations Report for 2011-2012 and Application to Participate for 2013-2014 (FISAP) Now Available

We are pleased to announce that the eCampus-Based application for the Fiscal Operations Report for 2011-2012 and Application to Participate for 2013-2014 (FISAP) is now available on the eCampus-Based (eCB) website.

All schools that wish to request funding under the Campus-Based programs for the 2013-2014 Award Year, and all schools that had Campus-Based expenditures for the 2011-2012 Award Year, are required to electronically submit a FISAP via the eCB website. The deadline for the electronic submission of the FISAP is 11:59 P.M. (ET) on October 1, 2012. Transmission must be completed by 12:00 midnight.

In a July 3, 2012 Electronic Announcement, we informed schools of the availability of the final FISAP form, Instructions, Desk Reference and Technical Reference. These documents, as well as the following important reminders will assist schools in completing the FISAP.

Important Reminders:

1. We have updated award year and date references and clarified instructions as outlined in the July 3, 2012 Electronic Announcement.
2. Due to the expiration of the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent (National SMART) Grant programs, lines 23(a), 23(b), and 23(c) have been removed from Part II, Section E. Line 23 in that section has been changed to collect only Pell Grant Expenditures for the 2011-2012 Award Year.
3. Only disbursements made from 2011-2012 funds should be reported in Part II, Section E, Field 23. If crossover payments are made from 2012-2013 funds, the disbursements should be reported in next year's FISAP (Fiscal Operations Report for 2012-2013 and Application to Participate for 2014-2015).
4. It is important that all affected campus offices coordinate and reconcile the information a school reports in its FISAP.
5. If funds are drawn from G5 that exceed the amounts reported on the FISAP, a negative balance will result and the school will need to return funds to G5.
Example: If a school's Federal Work-Study (FWS) authorized amount was \$50,000 and the school reported on its FISAP an expended amount of \$40,000, the school's award will be closed out at the expended amount of \$40,000. If more than \$40,000 has been drawn in G5, a negative balance for the amount over \$40,000 will result and must be returned.
6. A school that submits its FISAP by the deadline will have the opportunity to edit the submitted FISAP until December 14, 2012. Final information and expenditures must be updated by that time. See the Notice of the 2012-2013

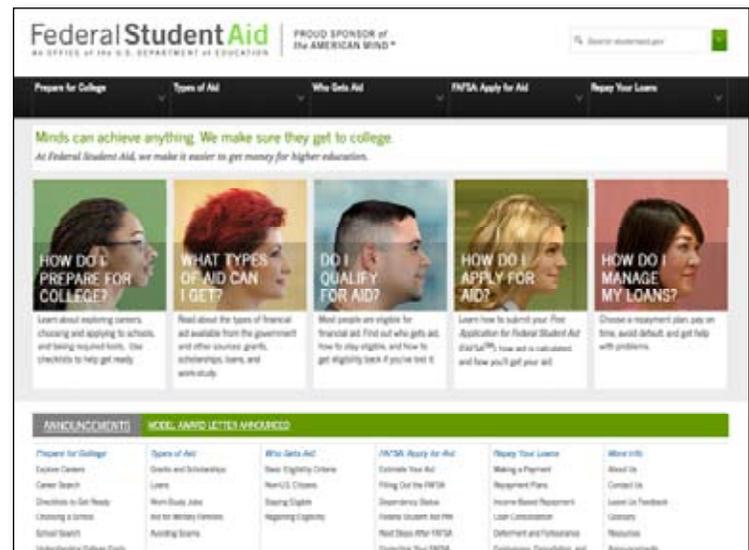
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DEPARTMENT OF EDUCATION LAUNCHES NEW WEBSITE AND SOCIAL MEDIA TOOLS

To help students navigate the financial aid process

Site part of response to Presidential directive, follows report highlighting issues with private student loans

Today, the U.S. Department of Education announced a new streamlined website and several social media tools that will make it easier for students and families to navigate the financial aid process and make informed decisions about paying for college. The launch of the new website, StudentAid.gov, follows a report from the U.S. Department of Education and the Consumer Financial Protection Bureau about consumer protection issues with private student loans and recommendations to improve the student loan marketplace.



“We want to give students and parents the information they need to make smart and affordable education choices. A big part of that is educating people on the most affordable way to finance a college education: federal student aid,” said U.S. Secretary of Education Arne Duncan. “This new, easy-to-understand website will help families better navigate the process of planning and paying for college. And it will help students manage their loan payments after they graduate so they avoid falling into default.”

The new website, along with the Financial Awareness Counseling Tool that launched last week, serves as the Department’s response to President Obama’s June 7 directive to enhance online and mobile resources for loan repayment options and debt management. StudentAid.gov is the first step in a multi-phase project to provide consumers with a one-stop website where they can access federal student aid information, apply for federal aid, repay student loans and navigate the college decision-making process. The site combines content from several Department

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E-campus and FISAP Now Available**FROM PAGE 3**

Award Year Deadline Dates for the Campus-Based Programs published in the Federal Register on January 30, 2012 (77 FR 4547).

7. Be sure to calculate and claim any appropriate Administrative Cost Allowance (see Volume 6 of the 2012-2013 FSA Handbook). Any change to this information will not be accepted after December 14, 2012.

8. If you encounter issues printing PDF files from the eCB website, please review the information available at the PDF printing solution link at the top of the Self-Service page on the eCB website. Additional information about printing can be found in the Desk Reference or on pages 44 through 50 of the 2011 FSA Conference Session #12 “Common Errors in FISAP Filing.”

Contact Information

For additional information about the FISAP or the referenced documents, please contact the Campus-Based Call Center at 877/801-7168. Customer service representatives are available Monday through Friday from 8:00 A.M. until 8:00 P.M. (ET). You may also e-mail CBFOB@ed.gov.

Department of Education Launches New Website and Social Media Tools**FROM PAGE 3**

websites and presents the information in a straight-forward manner – and it is designed to be fully accessible on tablets and smartphones. In addition, the Department has revamped its Federal Student Aid social media sites, including Facebook, YouTube and Twitter, to provide more options for students to learn about student aid.

Also included on StudentAid.gov is the Student Loan Debt Collection Assistant, an interactive tool designed to help borrowers who have fallen behind on their federal or private student loan payments. The tool was developed in partnership with the Consumer Financial Protection Bureau (CFPB) and is also available through the CFPB’s site. For borrowers who have missed payments but are not yet in default, this tool can help them avoid thousands of dollars in penalties and fees by helping them access an alternative payment plan. For borrowers already in default on their federal student loans, this tool offers an added benefit – clear information on how to access the full range of special repayment options available to federal student loan borrowers. The tool also provides tips to borrowers with private student loans on how to negotiate with debt collectors. Future releases of StudentAid.gov will incorporate additional websites and tools.

For more information about federal student aid, visit StudentAid.gov or the sites on Facebook (www.facebook.com/FederalStudentAid), Twitter (<http://twitter.com/FAFSA>), or YouTube (www.youtube.com/federalstudentaid).

OSLA SERVICING

At this time, we are pleased to announce that OSLA Servicing is now a member of our federal loan servicer team. OSLA Servicing will be identified in the National Student Loan Data System (NSLDS) as follows:

Servicer Name	NSLDS Name	NSLDS Servicer Code
OSLA Servicing	Department of ED/OSLA Servicing	506

Phone: 866/264-9762

Fax: 855/813-2224

Web site: www.osla.org

E-mail: DLcustserv@osla.org

Office Hours: 8:00 a.m. – 5:00 p.m. (CT), Monday through Friday



WEBINAR SERIES TO BE ANNOUNCED

Please watch our website (www.heag.us) for details.



FINANCIAL AID SHOPPING SHEET

Publication Date: July 25, 2012

DCL ID: GEN-12-12

Subject: Financial Aid Shopping Sheet for 2013-14

Summary: This letter announces the Financial Aid Shopping Sheet format and requests institutional commitment to use this format.

Dear Colleague:

We are writing to share the attached Financial Aid Shopping Sheet (Shopping Sheet) and to request that your institution adopt this format to deliver financial aid offer information to your students beginning with the 2013-14 award year. The Secretary of Education released the Shopping Sheet on July 24, 2012, at <http://www2.ed.gov/policy/highered/guid/secletter/120724.html>, and requested college presidents to voluntarily adopt it.

We developed the Shopping Sheet as directed by Section 484 of the Higher Education Opportunity Act (Public Law 110-315) to serve as a model format for financial aid award letters. We developed the Shopping Sheet in cooperation with the Consumer Financial Protection Bureau. The development of this form is described on our Model Financial Aid Offer Form Web page at: <http://www2.ed.gov/policy/highered/guid/aid-offer/index.html>. In addition, we are now discussing with financial aid software providers the development of software to help you deliver the Shopping Sheet. In the coming months, we plan to share additional information on this activity.

We are confident you will find that the attached Shopping Sheet format is a useful tool for distributing financial aid offer information to your students. We recommend that you use the Shopping Sheet, and we ask that, if you do so, you confirm your intention to use the Shopping Sheet format by e-mailing ShoppingSheet@ed.gov with your institutional name and your institution's Office of Postsecondary Education Identification Number.

In addition, the Shopping Sheet will help those institutions that receive Federal funds under the military and veterans educational benefits programs to meet a disclosure responsibility that will arise as a consequence of Executive Order 13607. The Order directs the Departments of Defense and Veterans Affairs to require

those institutions to provide each of their prospective veteran and service member students with a personalized and standardized form describing the cost of the educational program and the amount of that cost that may be covered by available Federal education benefits and financial aid. The Shopping Sheet provides this kind of information. The Order is available at: <http://www.gpo.gov/fdsys/pkg/FR-2012-05-02/pdf/2012-10715.pdf>.

Thank you for your continued efforts to provide clear information to inform students' education choices. Please direct any questions about the Shopping Sheet to ShoppingSheet@ed.gov.

Sincerely,

David A. Bergeron
Acting Assistant Secretary for Postsecondary Education

Note: See next page of this newsletter for form pdf »

 University of the United States (UUS)	
Costs in the 2013-14 year Estimated Cost of Attendance for full-time enrollment \$ XXX,XXX / yr Tuition and fees \$ XX,XXX Housing and meals (on-campus resident) X,XXX Books and supplies X,XXX Transportation X,XXX Other educational costs X,XXX	Graduation Rate Percentage of full-time students who graduate within 6 years <div style="text-align: center;">  <p>71%</p> <p>LOW MEDIUM HIGH</p> </div>
Grants and scholarships to pay for college Total Grants and Scholarships (GIF: Aid; no repayment needed) \$ XXX,XXX / yr Grants from your school \$ X,XXX Federal Pell Grant X,XXX Grants from your state X,XXX Other scholarships you can use X,XXX	Loan Default Rate Percentage of borrowers entering repayment and defaulting on their loan <div style="text-align: center;">  <p>11%</p> <p>UUS Average Corporate Institutions</p> </div>
What you will pay for the 2013-14 year Net Costs (Cost of attendance minus total grants and scholarships) \$ XX,XXX / yr	Median Borrowing Students at UUS typically borrow \$XX,XXX in Federal loans over X years. The Federal loan payment over 10 years for this amount is approximately \$X,XXX per month. Your borrowing may be different. <div style="text-align: center;">  </div>
Options to pay net costs Work options Work-Study (Federal, state, or institutional) \$ X,XXX / yr	Repaying your loans To learn about loan repayment choices and work out your Federal Loans monthly payment, go to: http://finaid.usdirect.gov/repay
Loan options* Federal Perkins Loans \$ X,XXX / yr Federal Direct Subsidized Loan X,XXX / yr Federal Direct Unsubsidized Loan X,XXX / yr <small>*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.</small>	For more information and next steps: University of the United States (UUS) Financial Aid Office 123 Main Street Anytown, ST 12345 Telephone: (123) 456-7890 E-mail: financialaid@uus.edu
Other options Family Contribution (As calculated by the institution using information reported on the FAFSA or to your institution.) \$ XX,XXX / yr • Payment plan offered by the institution • Parent PLUS Loan • Military and/or National Service benefits • Non-Federal private education loan	Customized information from UUS <div style="border: 1px solid black; height: 20px; width: 100%;"></div>



University of the United States (UUS)

Costs in the 2013-14 year

Estimated Cost of Attendance for full-time enrollment

\$ XX,XXX / yr

Tuition and fees	\$ XX,XXX
Housing and meals (on-campus resident)	X,XXX
Books and supplies	X,XXX
Transportation	X,XXX
Other educational costs	X,XXX

Grants and scholarships to pay for college

Total Grants and Scholarships ("Gift" Aid; no repayment needed)

\$ XX,XXX / yr

Grants from your school	\$ X,XXX
Federal Pell Grant	X,XXX
Grants from your state	X,XXX
Other scholarships you can use	X,XXX

What you will pay for the 2013-14 year

Net Costs

(Cost of attendance minus total grants and scholarships)

\$ XX,XXX / yr

Options to pay net costs

Work options

Work-Study (Federal, state, or institutional)	\$ X,XXX / yr
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Loan options*

Federal Perkins Loans	\$ X,XXX / yr
Federal Direct Subsidized Loan	X,XXX / yr
Federal Direct Unsubsidized Loan	X,XXX / yr

*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.

Other options

Family Contribution

(As calculated by the institution using information reported on the FAFSA or to your institution.)

\$ XX,XXX / yr

- Payment plan offered by the institution
- Military and/or National Service benefits
- Parent PLUS Loan
- Non-Federal private education loan

Graduation Rate

Percentage of full-time students who graduate within 6 years

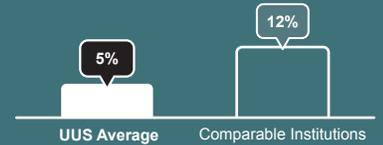


71%



Loan Default Rate

Percentage of borrowers entering repayment and defaulting on their loan



Median Borrowing

Students at UUS typically borrow \$XX,XXX in Federal loans over X years. The Federal loan payment over 10 years for this amount is approximately \$X,XXX per month. Your borrowing may be different.



Repaying your loans

To learn about loan repayment choices and work out your Federal Loan monthly payment, go to:

<https://www.direct.ed.gov/calc.html>

For more information and next steps:

University of the United States (UUS)

Financial Aid Office

123 Main Street

Anytown, ST 12345

Telephone: (123) 456-7890

E-mail: financialaid@uus.edu

Customized information from UUS

ACCEPTABLE DOCUMENTATION FOR VERIFICATION

By: **Jeff Baker**, Director, Policy Liaison and Implementation, Federal Student Aid

Subject: *Acceptable Documentation for Verification of 2011 IRS Information*

On April 16, 2012, we published Dear Colleague Letter GEN-12-07 that provided a temporary documentation alternative until July 15, 2012, for those Title IV applicants who are required to verify information from their 2011 IRS tax returns. This announcement is a reminder that, under the guidance provided in GEN-12-07, accepting paper copies of 2011 IRS tax returns as an alternative terminated as of last Sunday, July 15, 2012. Therefore, beginning July 16, 2012, applicants who under our verification requirements must provide documentation of tax return information must do so by either using the IRS Data Retrieval Tool that is part of FAFSA on the Web or by submitting to their school an IRS Tax Return Transcript obtained from the IRS. Note that the July 15 date applies to the receipt of the copy of the tax return and not to when verification must be completed.

We understand that there may still be a limited number of instances where tax filers may be unable to use either the IRS Data Retrieval Tool or the IRS Tax Return Transcript request process. One of those limited instances is when the tax filer has been the victim of identity theft with regard to their IRS records. We are currently in the process of evaluating alternatives for such tax filers and others whose only way of documenting IRS information is through the use of a paper copy of the tax return. We expect to be able to provide further guidance on this issue within the next few weeks.

We thank schools for their cooperation as we continue to ensure the integrity of the Title IV student aid process.

2012 FSA CONFERENCE Tuesday, November 27 – Friday, November 30, 2012



The Peabody Orlando
9801 International Drive
Orlando, FL 32819

www.peabodyorlando.com

The FSA annual conference is designed to provide the most up-to-date information on Title IV programs and the evolving federal policies and procedures affecting our customers and partners. We also cover topics ranging from the technologies associated with our information systems to improved practices for supporting aid applicants and recipients. We are focusing this year's conference program on topics related to changes in Title IV policies and programs impacting schools participating in the federal student aid programs.

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

The FSA Conference is the largest financial aid conference offered to the financial aid community, hosting almost 7,000 in 2011. We hope you will join us.

About The Higher Education Assistance Group

The Higher Education Assistance Group, Inc. is a comprehensive higher education consulting and financial aid consulting group located in Wellesley, Massachusetts. In operation since 1989 initially as a financial aid consulting firm, we have since grown and expanded to represent all areas of student services management. We continue to advance and evolve to meet the needs of our school clients. The Group provides exceptional administrative and professional management services to all student service fields, including Admissions, Financial Aid, Continuing Education, Bursar and Registrar offices at two and four year institutions, both public and proprietary. The Group's highly qualified team of consultants has spent decades in the field providing administrators with the tools, knowledge and support necessary to complete institutional objectives. We pride ourselves on assisting post secondary institutions to meet challenges such as program regulatory compliance, organizational structure, staffing needs, and technological support.