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Achieve a Higher Standard... with HEAG!

Message from Milton

With June upon us and the summer fast approaching, the season brings with it the annual processing crunch. The school year has been long-filled with meeting the needs of both students and parents and now, you are faced with the peak processing period. As you brace yourselves for the summer crunch and demanding work load, always remember—the work you do is valuable and important, effecting and changing the lives of both current and future students alike.

Best Regards,

~ *Milton Kerstein, President*

IT IS PEAK PROCESSING TIME. ARE YOU READY TO MEET THE DEMANDS?

As the spring and summer processing peaks hit, are you feeling the heat? Is it time to call HEAG for extra staffing support?

Many financial aid offices are experiencing pressure to increase productivity, meet deadlines and improve customer service. You don't have to do it alone! Please call us to discuss extra staffing support particularly geared to the peak processing cycle. Our team of

consultants are experienced professionals adept on all of the key financial aid management systems such as Banner, Datatel, PowerFAIDS and Department of Education software. We are able to start working quickly and to get you on track to meet your important deadlines.

Call 617-928-1975 or email bingle@heag.us. We look forward to hearing from you.

TECH TALK CORNER



FISAP Changes to Come

Written by **Brittany Barker**, HEAG consultant

Though the final 2014-2015 FISAP will not be available until August, 1, 2013, draft revisions have now been released for review. These changes have not yet been identified as permanent, but they are definitely worthy of advanced review in order for you to be prepared for these changes.

For instance, below are a few proposed changes to date:

- “Additional Locations” will become “Additional Institutions”. It was determined that the wording of this section confused many filers resulting in substantial mistakes. The intention was to capture

institutions that reported data that included other institutions not other campuses under the same institution.

- The FISAP will now include a section for reporting students who attend a “not-traditional calendar”. Currently, there is no way to accurately reflect the institutions academic start dates that begin outside of the typical semester outline. For instance, many institutions have begun to offer students start dates that begin monthly or even quarterly. As modules have slowly made their way into mainstream academic calendars, the FISAP intends to follow suit.
- The income grid will expand on the increments previously offered. The income grid has been

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TECH TALK CORNER



continued from page 1

expanded “to include \$10,000 increments over the current \$60,000 limit up to \$100,000 and over, and for Undergraduate Dependent students, \$5,000 increments over the current \$20,000 up to \$40,000 and over” . However, it is important to note that null fields will be rejected. A ‘0’ must be submitted in order for the amount to be accepted.

- The FISAP upload feature will be discontinued. Federal Student Aid found that a minute number of schools used the feature. Because of this, it is not worth their efforts to maintain the functionality.

As the FISAP continues to be reviewed, there may be additional changes. However, it is essential to note that regardless of what changes will be finalized, they will be appropriately reflected in the FISAP instructions to guide filers accordingly. Once the final FISAP is released, institutions will have until October 1, 2013 to comply.

If more information is needed, institutions may refer to the posted IFAP Announcement or 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 email CBFOB@ed.gov.

¹Leith, W. (2013, 03 14). Draft 2014-2015 fisap, instructions, and technical reference. Retrieved from <http://ifap.ed.gov/eannouncements/031413Draft1415FISAPInstructionsAndTechRef.html>

150% DIRECT SUBSIDIZE LOAN

May 16, 2013

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

Subject: 150% Direct Subsidized Loan Limit: Electronic Announcement #1 - Interim Final Regulations Published

NOTE: This Electronic Announcement is the first in a series of numbered Electronic Announcements with subjects of “150% Direct Subsidized Loan Limit”.

On July 6, 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21) (Public Law 112-141) was enacted. MAP-21 added a new provision to the Direct Loan statutory requirements (see HEA section 455(q)) that limits a first-time borrower's eligibility for Direct Subsidized Loans to a period not to exceed 150 percent of the length of the borrower's educational program. Under certain conditions, the provision also causes first-time borrowers who have exceeded the 150 percent limit to lose the interest subsidy on their Direct Subsidized Loans.

Note: Only first-time borrowers on or after July 1, 2013 are subject to the new provision. Generally, a first-time borrower is one who did not have an outstanding balance of principal or interest on a Direct Loan or on a FFEL Program Loan on July 1, 2013.

Interim Final Regulations

On May 16, 2013, we published interim final regulations in the Federal Register implementing this provision of MAP-21 (See 78 FR 28953). While interim final regulations have immediate legal effect, the public is invited to submit comments on the interim final regulations until July 1, 2013, according to the instructions provided in the May 16, 2013 Federal Register.

Watch for additional updates and webinar training sessions coming out soon.

DEPARTMENT OF EDUCATION WEBINARS

COD Reporting of Academic Year and Loan Period Webinar

Session Date	Time (Eastern)
June 04, 2013	1:00 PM - 2:30 PM
June 06, 2013	1:00 PM - 2:30 PM

150% Direct Subsidized Loan Time Limit Webinar

Session Date	Time (Eastern)
June 11, 2013	1:00 PM - 2:30 PM
June 12, 2013	1:00 PM - 2:30 PM
June 13, 2013	1:00 PM - 2:30 PM

To Register, please go to: <http://www.cvent.com/d/2cqby5>

BLUE BOOK AND ORANGE BOOK ARE READY!

The Blue Book which provides guidance on accounting, recordkeeping, managing, and reporting by postsecondary educational institutions that participate in federal student aid programs has been updated for 2013 and which has not been updated since 2007. Go to <http://www.ifap.ed.gov/ifap/publications.jsp>

The Orange Book is a report of the status of defaults as of June 30, 2012 for the Federal Perkins Loan program is ready. Go to <http://ifap.ed.gov/ifap/byAwardYear.jsp?type=perkinscdrguide&display=single>

PLANNING FOR THE SHOPPING SHEET — MAKE A LIST AND CHECK IT TWICE

Article reprinted with permission by Great Lakes Higher Education Guaranty Corporation and Affiliates and written by Linda Peckham, Senior Training Stategist. Linda can be reached at LPeckham@glhec.org.

The Financial Aid Shopping Sheet, developed by the Department of Education in conjunction with the Consumer Financial Protection Bureau, was designed to provide students with an improved comparison tool when making a college enrollment decision. The form is intended to help students better understand how much grant aid, versus loan and work aid, they are being offered. The form also provides information about the college, including graduation rates, default rates, and average student indebtedness, to help students make a more informed choice.

Although not mandatory for the 2013-14 aid cycle (except for institutions that must comply under E.O. 13607), over 350 institutions will adopt the Shopping Sheet and are actively planning for implementation, most without the support of their enterprise software providers. The Great Lakes Training team spoke with several of these institutions to learn more about why they chose to participate in this first year and to ask what advice they would offer their peer institutions who will implement the template next year.

Ryan C. Williams, Associate Vice President of Enrollment Management at Syracuse University, says the university embraced the new Shopping Sheet because “it really supports our core mission to provide financial literacy for students throughout their lifecycle with us — from pre-enrollment to graduation.” Reflecting on the usefulness of the Shopping Sheet for students, he noted, “The Sheet will really highlight those institutions that do not meet full need, and it will make it much more apparent to students what their future debt burden will be.” Williams also feels that by providing the Shopping Sheet to returning students, the institution can help offer better information about increasing loan debt for students who take longer than four years to graduate. “They will be able to see the immediate impact of these decisions on their future loan debt.”

Gaining a full understanding of future debt burdens and understanding the risk-benefit analysis of the enrollment decision is very much the Department of Education’s intended goal of the template. But as Tabatha Turner, Senior Associate Director of Scholarships and Student Aid at UNC-Chapel Hill, notes, “Students will still use ‘emotional factors’ when making a college choice even when the long-term costs are made clear, but at least the Sheet will provide a way for families to compare those choices consistently from college to college and in ways that differ from the traditional award letter.”

The Shopping Sheet, for example, will illustrate for a family that “Net Cost” is the difference between total cost and gift aid. Student loans, work-study, and Parent PLUS loans are listed as “options to pay net costs.” In this way, the Shopping Sheet will clarify that loans, if needed, may in fact increase the long-term cost of the educational purchase decision.

Rick Shipman, Director of Financial Aid at Michigan State University agrees that the Shopping Sheet, with its increased clarity about loans, will “help

students understand the bottom line about their college purchase decision and highlight the long-term impact of their college choice on their financial lives.” He cautions that for some students, the Shopping Sheet cannot replace the benefits of one-on-one counseling with financial aid staff about the award letter, and advises his staff to work closely with at-risk families before they make enrollment decisions.

At the University of Notre Dame, Director of Financial Aid Mary Nucciarone and her team are strong supporters of the Shopping Sheet and are working to make it available to both entering and returning students by early March. She emphasizes that the Shopping Sheet, with its comprehensive data about average debt, default rates and graduation rates, is a great tool for schools to display “their good news to students.”

Nucciarone anticipates, however, that the Shopping Sheet will generate questions. For example for students who do not receive any loans as part of their award, Nucciarone notes, “The Shopping Sheet delineates loan information and students may wonder why their aid award letter does not include them or why the average loan debt is being reported on the Sheet.” She is working with her counseling staff to find ways to help families understand the differences between the Shopping Sheet and the institutional award letter.

The Department of Education is currently building partnerships with enterprise software providers so that they can support the use of the Shopping Sheet in future award cycles and make it easier for more schools to use the tool. In the meantime, most of the 350 early adopters are using institutional resources to make the template work in this first year. Tips for colleagues considering adopting the Shopping Sheet this year or next include:

- Prepare your IT department. IT will need to be able to support the template by providing student-specific data on a timely basis. Most of the information required on the Shopping Sheet is housed in the campus system but may not be in the aid office.
- Think about your campus-wide messages about net price and affordability. For some schools, this may mean re-framing the way student loans are described as part of the affordability conversation.
- Strongly consider adopting the form for returning as well as entering students, as part of your financial literacy and counseling efforts.
- Use the customized box on the Shopping Sheet to offer additional information to students.
- Anticipate questions from students and parents. The Shopping Sheet information might appear to be different from the award letter notification in some cases. Ensure that both your financial aid and admissions staff can respond to these questions.

For more background on the Shopping Sheet, visit ED’s Model Financial Aid Offer Form Web site at:

<http://www2.ed.gov/policy/highered/guid/aid-offer/index.html>

OVERVIEW OF ENHANCEMENTS TO THE FAFSA

April 11, 2013

Author: **Lisa DiCarlo**, Director, Student Experience Group, Federal Student Aid

Subject: Overview of April 2013 Enhancements to Free Application for Federal Student Aid (FAFSA) on the Web

As part of Federal Student Aid's ongoing mission to simplify and streamline the student aid application experience for students and parents, several enhancements to the FAFSA on the Web site will be implemented on April 21, 2013.

In order to better support applicants and their parents with inquiries related to these enhancements, financial aid administrators and support staff should familiarize themselves with these upcoming changes and update any training materials or services.

April 2013 Enhancements

- **Implementation of MyStudentData Download Functionality** – As described in the November 13, 2012 electronic announcement on the Information for Financial Aid Professionals (IFAP) Web site, the MyStudentData Download function allows a student with a valid PIN to download certain data elements from his or her processed 2013-2014 FAFSA into a machine-readable, plain text file. The announcement provides a detailed record layout of student data that will be downloaded from FAFSA on the Web using the MyStudentData Download function.

After logging into FAFSA on the Web, students can access the MyStudentData Download button from the “My FAFSA” page. Students can choose a specific transaction to download in English or Spanish to a specific location on their personal computer. The downloaded file will be saved in comma-separated values (CSV) format, and can be opened easily in a spreadsheet program, such as Microsoft Excel, for further viewing, sorting, and printing. The downloaded file will contain specific FAFSA field labels and the corresponding values provided by the applicant for the selected transaction.

- **Revised “Confirmation” and “My FAFSA” Pages and E-mails** – Text displayed on the FAFSA on the Web “Confirmation” and “My FAFSA” Web pages and confirmation and SAR processing notification e-mails sent to applicants will be enhanced and reordered. These updates clarify and increase the visibility of guidance provided to applicants on actions they should take after submitting their FAFSA on the Web application. Additionally, the “View Processed Information” buttons on the “My FAFSA” page for users whose latest transaction was processed successfully will be replaced by “Student Aid Report” hyperlinks.

- **Redesigned “Help” Page** – The FAFSA on the Web “Help” page will be redesigned to provide a more intuitive layout, organization, and flow to the options and topics available to students. The overall goal of this enhancement is to steer applicants to self-help options. A new menu of help categories representing the different stages in the FAFSA processing cycle, Trending Topics, and an easily distinguishable search field and button are some of the changes applicants will see. In addition, students will be able to search for several new or revised help topics, such as those that provide updated information about IRS Data Retrieval Tool eligibility and IRS tax return processing time frames.

- **Enhanced Functionality for Internal Revenue Service (IRS) Data Retrieval Tool Filtering Questions** – In January, the IRS Data Retrieval Tool filtering questions were redesigned for improved clarity and usability. The filtering questions will be further enhanced to dynamically display based on the user's responses, potentially reducing the number of questions that must be answered.

The ideas and recommendations offered by students, parents, financial aid professionals, and other partners continue to guide the enhancements made to FAFSA on the Web, and Federal Student Aid welcomes that feedback to improve the user experience.

CAN WE PAY AID FOR REPEATED COURSEWORK IN THIS THIRD OR FOURTH ATTEMPTS SCENARIO?

This article represents a U.S. Department of Education (ED) update to NASFAA's previous understanding on this issue.

Scenario: A student is repeating Math 2400 and each time has applied for federal aid to pay for it as follows:

- The 1st time he takes the course, he gets an F and receives federal aid;
- The 2nd time he takes the course, he gets a C and receives federal aid;
- The 3rd time he takes the course, he gets an F; and
- The 4th time he takes the course, he gets an F.

Answer: The student in your scenario would be eligible to receive Title IV aid for the 3rd attempt of the course, but not for the 4th attempt of the course. There is no regulatory limit on the number of times that a student may be paid to retake a failed course, unless the student has also previously passed that course (in which case the student may receive Title IV aid to pay for that course only one more time). [668.2]

Remember, of course, that such a student may become ineligible under the schools satisfactory academic progress (SAP) standards. Remember also that the repeated coursework rule under 668.2(b), Full-time student, only applies to undergraduate (not graduate) students.

CHANGES TO TOTAL AND PERMANENT DISABILITY DISCHARGE REGULATIONS EFFECTIVE JULY 1, 2013.

By **Beth Ingle**, Vice President of Business Development, HEAG

There has been a series of electronic announcements relating to the changes to the Total and Permanent Disability (TPD) discharge regulations for Direct, FFEL, Perkins and TEACH grant obligations that are effective July 1, 2013. (Go to www.ifap.ed.gov, electronic announcement May 17, 2013, Subject: TP Discharge Information.)

According to the electronic announcement of May 17, 2013, the first major change will be that all individuals seeking a TPD discharge will submit their application directly to the U.S. Department of Education and not to their individual loan holder. In addition, under these new regulations, the individual will only have to submit one application for all of his/her Title IV loans and/ TEACH grants.

The second major change is that the new regulations provide an option by which the individual can demonstrate that they are totally and permanently disabled. This is effective for applications received on or after July 1, 2013. To qualify, the individual must be:

- Receiving Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits and must submit a Social Security Administration

(SSA) notice of award for SSDI or SSI benefits. This notice must state that the individual's new disability review will be within 5-7 years from the date of the most recent SSA disability statement. An individual that provides this documentation does not need to provide a medical certification.

Or one of these three other ways:

- The individual is a veteran and can provide documentation from the U.S Department of Veterans Affairs (VA) showing that the VA has determined the individual unemployable due to service;
- If the individual is receiving SSDA or SSI benefits, the individual can submit an SSA notice of award for SSA or SSI benefits stating that the next review will be 5-7 years from the date of the SSA disability review; or
- The individual can submit certification from a physician (the current process) that the individual is totally and permanently disabled .

Once the borrower qualifies for their loan(s) to be discharged, the Department will notify the loan holder about the discharge and a 3 year post-discharge monitoring period. More information about the actual process is available by reading the electronic announcement for May 17, 2013. Please monitor the IFAP Web site for subsequent electronic announcements regarding this topic.

PLUS LOAN APPLICANT COMMUNICATIONS

April 19, 2013

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

Subject: PLUS Loan Applicant Communications

On April 21, 2013, we will begin sending emails (or letters when we do not have an email address) to certain Direct PLUS Loan applicants who have been denied a PLUS Loan because of an adverse credit history. The email, which is in addition to the standard denial communication, will be sent to applicants who we believe are likely to be approved if they request reconsideration of the initial PLUS Loan request denial.

This new communication will invite the applicant to contact our Student Loan Support Center at 1-800-557-7394 for more information and will encourage them to request reconsideration of the initial PLUS Loan denial. The applicant (not the school or the child of a parent applicant) should contact the Student Loan Support Center as soon as possible to avoid the need for an additional

credit check. Typically the reconsideration process can be completed in just a few minutes.

While we cannot guarantee that these applicants will be approved for a PLUS loan, our recent experience in conducting this type of special outreach has shown that most such targeted applicants are subsequently approved for PLUS Loans, even if nothing in their credit report has changed.

We also want to alert you that beginning June 28th, the Common Origination and Disbursement Web system will include a flag that indicates that an applicant has been sent the special communication that he or she may qualify for a PLUS Loan under the reconsideration process. A report listing the applicants who received the communication will be available to institutions. More detailed information will be available as part of the June 28th, COD Release 12.2 communication process.

If you have any questions concerning this information please contact the COD School Relations Center at 1-800-848-0978.

TEACH GRANT CLOSEOUT INFORMATION FOR 2012-2013 AWARD YEAR

June 7, 2013

Author: **William Leith**, Service Director, Program Management, Federal Student Aid

Subject: **TEACH Grant Closeout Information for 2012-2013 Award Year**

The Teacher Education Assistance for College and Higher Education (TEACH) Grant closeout deadline for the 2012-2013 Award Year is Monday, September 30, 2013. This is the last processing day of the award year, so all school data must be received and accepted by this date, and any necessary funds must be requested in G5, for this information to be included in a school's final Ending Cash Balance for the year. To be considered successfully closed out, the school must—

- Have an Ending Cash Balance (Net Drawdowns – Total Net Booked Disbursements) of \$0 and Total Net Unbooked Disbursements of \$0, as reflected on the TEACH Grant School Account Statement (SAS).

After the closeout deadline, schools with outstanding balances will be billed.



About The Higher Education Assistance Group

The Higher Education Assistance Group, Inc. (HEAG) is a comprehensive higher education and financial aid consulting group located in Wellesley, Massachusetts. In operation since 1989, we provide comprehensive financial aid consulting support to private, public and proprietary institutions. We provide administrative and professional consulting services in the areas of program regulatory compliance, financial aid processing and verification, interim staffing and technology. With over 25 years of experience, we have a proven track record of satisfied school clients.