LASFAA

- ED presentations will be available at www.lasfaa.org
ED focused on students, families and schools

- Most systems ran normally
- Flow of funds was not impeded
- IRS Accounting was affected

- Currently, there is a CR to fund the Federal Government until Jan 15, 2014
- Currently, the debt ceiling has been raised and is expected to last until Feb 7, 2014
Deadlines

• Annual Campus Security and Fire Safety Reports (if applicable) to ED
  • Normally due Oct 16, 2013
  • Extended to today, Oct 24, 2013

• Annual Campus Security and Fire Safety Reports (if applicable) to students and employees
  • Due Oct 1, 2013, government closure notwithstanding

• Equity in Athletics Disclosure Act (EADA)
  • Report submitted electronically to ED by Oct 30, 2013
  • Report made available to students and employees by Oct 15, 2013

• FISAP
  • Due Oct 1, 2013
DEFAULT RATES
National Student Loan Default Rates (2 year)

Cohort Default Rate vs. Cohort Years

Issue Date

The FY 2010 Official 3-Year national rate is 14.7%, which represents an increase of 9.7% from the FY 2009 Official rates of 13.4%.
INTEREST RATES
The Administration worked with Congress to reach agreement on a plan to reverse the interest rate increase. Applies to all loans first disbursed after June 30, 2013.
Interest Rates

- Rates would be the same for both subsidized and unsubsidized loans.
- Rates would be different between undergraduate students and graduate students.
- Fixed rate set each year for a cohort of loans.
  - First disbursed between July 1 and June 30.
  - Applies for the life of the loan.
Interest Rates

- Rates based on 10 Year T-Bill rate plus –
  - Undergraduate Students - Sub and Unsub
    - Cap of 8.25 percent.
    - 3.86% for this year compared to last year’s 3.4% and what would have been 6.8%.
  - Graduate students – Unsub only
    - Cap of 9.5 percent
    - 5.41% for this year compared to last year’s 6.8%.
Interest Rates

- PLUS Loans (parent and grad)
  - Cap of 10.5 percent.
  - 6.41% for this year compared to 7.9%.

- Consolidation Loans – Same weighted average but with no cap. Cap was 8.5%
Sequestration
See GEN 13-22
Sequestration

- Federal Pell Grant Program
  - No impact
- FWS and FSEOG Programs
  - 2013-2014 institutional award amounts reduced
- TEACH Grant awards reduced by 6.0 percent for FY 2013 and 7.2 percent for FY 2014.
  - First disbursed on, or after, 10/1/13 = 7.2%
- Iraq-Afghanistan Service Grant awards reduced by 10.0 percent for FY 2013 and 7.2 percent for FY 2014.
  - First disbursed on, or after, 10/1/13 = 7.2%
Sequestration FY 2013

- Direct Subsidized and Direct Unsubsidized loan fees increased from 1.0 percent to 1.051 percent for loans first disbursed on or after July 1, 2013 and before December 1, 2013.

- Direct PLUS loan fees (for both parent and graduate student borrowers) increased from 4.0 percent to 4.204 percent for loans first disbursed on or after July 1, 2013 and before December 1, 2013.
Sequestration FY 2014

- Direct Subsidized and Direct Unsubsidized loan fees increased from 1.051 percent to 1.072 percent for loans first disbursed on or after December 1, 2013 and before October 1, 2014.

- Direct PLUS loan fees (for both parent and graduate student borrowers) increased from 4.204 percent to 4.288 for loans first disbursed on or after December 1, 2013 and before October 1, 2014.
Defense of Marriage Act (DOMA)
Defense of Marriage Act – DOMA

- On June 26, 2013 the Supreme Court struck down the section 3 of the Defense of Marriage Act that provided that for purposes of federal programs, a marriage can only be between one man and one woman.
- Impacts the FAFSA/EFC and Income Driven Repayment plans.
- ED is waiting for guidance from the U.S. Department of Justice as to the specific implications and timing of the ruling.
FAFSA – Parental Information (DCL GEN-13-12)
FAFSA CHANGES – PARENTAL DATA

What?

Beginning with the 2014-2015 FAFSA, dependent students’ FAFSA must include income and other information about both of the student’s legal parents (biological or adoptive) if the parents are living together, regardless of the parents’ marital status or gender.
FAFSA CHANGES – PARENTAL DATA

Why?

- Collecting parental information from both legal parents will result in fair treatment of all families by eliminating longstanding inequities that were based on the legal relationship of the parents (married or not married) rather than on the parents’ relationship with their child.
What is the legal basis for this change?

The section of the HEA (475) that describes the information to be used in the calculation of a dependent student’s EFC uses the terms “parent” and “parents” and not terms like “mother”, “father”, or “spouse”.

How will information about a student’s unmarried parents be collected on the FAFSA?

The FAFSA will include a response of “Unmarried and both parents living together” to the parents’ marital status question. Instructions and help text will explain that parents are the student’s legal (biological or adoptive) parents if those parents live together.
FAFSA CHANGES – PARENTAL DATA

- Because unmarried parents may be of the opposite sex or of the same sex, when the response to the parents’ marital status question is “Unmarried and both parents living together,” follow-up questions will refer to the parents as “Parent 1 (father/mother)” and “Parent 2 (father/mother)” or simply “parents”.
FAFSA CHANGES – PARENTAL DATA

- Since the unmarried parents could not have filed a joint IRS tax return together, FOTW will provide instructions on how the family should respond to questions such as “tax filing status”, “type of tax return”, and to AGI and other tax return questions.

This also applies to married parents whose IRS filing status is “Married filing separately”.

Pell Duration of Eligibility
Pell Duration of Eligibility

- Student’s eligibility to receive Pell Grant limited to 12 semesters (or its equivalent).

- Applies to all students effective with the 2012-13 award year.

- Calculation includes all earlier years of the student’s receipt of Pell.
Pell Duration of Eligibility

- Calculate the equivalency by adding together each of the annual percentages of a student’s scheduled award that was actually disbursed to the student.
  - LEU – Lifetime Eligibility Used
  - Once LEU reaches 600%, student no longer eligible.
  - If LEU more than 500% but less than 600%, partial eligibility for next award year.
Unusual Enrollment History
Unusual Enrollment History

- Students identified based on Pell Grant history - # of schools and # of years.
- New ‘C’ Code added to ISIR.
- New Unusual Enrollment History Flag (UEH FLAG) added to ISIR.
- Out of 13 million FAFSAs only 130K selected – about 1 percent.
Unusual Enrollment History

- **UEH Flag:**

- Was academic credit earned at each of the institutions during the award(s) when the student received Pell Grant funds for enrollment at that institution?

- If not obtain documentation from the student explaining why the student failed to earn academic credit.
Unusual Enrollment History

- FAA determines whether the circumstances of the failure of the student to receive academic credit support the continuation of Title IV, HEA program assistance eligibility.

- These institutional determinations are final and not appealable to the Department, and the reasons for the decision must be documented and maintained for possible review.
Regulatory Activity
Regulatory Activity

- Loans I – Final Rule
  - Published on November 1, 2012
  - Pay as You Earn
  - Total and Permanent Disability

- 150% Direct Subsidized Loan Limit – Interim Final Rule
  - Published May 16, 2013
  - Comment Period Ended on July 1, 2013
  - Final Final Rule to be published ???
Regulatory Activity

- Pell Grant - Published on July 2, 2013.
  - Implemented the statutory changes that repealed the provisions that allowed an eligible student to receive a second Pell Grant Scheduled Award in a single award year.
  - No changes made from the Interim Final Rule published on May 2, 2012.
Regulatory Activity

- Loans II – NPRM
  - Published on July 29, 2013.
  - Final Rule to be published soon
  - Repeal of Unnecessary FFEL Regulations and Updating of Direct Loan Regulations
- FFEL Repayment Disclosures
- Forbearance
- Minimum Loan Period
- Loan Rehabilitation
- Closed School Discharge
- School Enrollment Status Reporting
Regulatory Activity

- Gainful Employment
  - Negotiated Rulemaking has begun.

- Campus Security and Crime Reporting
  - Result of the reauthorization of the Violence Against Women’s Act
  - Call for negotiators has been published
Regulatory Activity

- Other Negotiated Rulemaking
  - Possible Issues
  - Cash management
  - State authorization for distance education and foreign locations of domestic schools
  - Clock to credit hour conversion
  - Definition of adverse credit for PLUS loan borrowers
Experimental Sites (GEN 13-21)
Experimental Sites

- The Experiments – 167 schools
  - Pell Grant – Eligibility of students with bachelor’s degrees and eligibility of short-term programs
  - Study Abroad - Early and single disbursement
  - Unequal disbursements of Direct Loans
  - Reduced Unsubsidized loan amounts
  - Two experiments for students with intellectual disabilities
Training

• 2013 FSA Conference
  • Still Free!
    • You can link from IFAP
  • December 3-6, 2013 at Mandalay Bay Hotel in Las Vegas, Nevada
  • Draft agenda is on IFAP
• Check website for Lodging and Registration Info
  • Some nights are sold out at conference rate although higher rates may be available
  • There is no shortage of nearby hotels
FSA Training Conference
Tuesday, Dec. 3 - Friday, Dec. 6, 2013
Mandalay Bay
Las Vegas, NV

What’s New

UPDATED 10.21.13

Please Note: Both Mandalay Bay and THEhotel are sold out on some peak nights. Additionally, some rooms might be available at the prevailing rate if the conference rate is not available. Please check back often, as there may be availability due to cancellations, or use your preferred travel websites to secure other lodging. At this time there are no plans to secure overflow lodging.

The 2013 FSA Training Conference for Financial Aid Professionals will be held at Mandalay Bay, Las Vegas, Nevada between December 3-6, 2013.

Housing and Registration are now open.
Training

• Fundamentals of Federal Student Aid Administration
  • ANN 12-22
  • New requirements – CEO/owner must attend entire training; to register participants must successfully complete online training
• EDExpress (2.0) online tutorial just placed on the new training website
• 150% Limit Webinar #3 will be re-scheduled to Nov 12 and 14
New FSA Training Website
fsatraining.info
See DCL ANN 13-06
Help - Contact Information

Have a question about Title IV federal student aid or one of the services we provide? Contact one of our Customer Service Centers or Federal Student Aid Offices.

To access these resources, click on the applicable link below.

If you are not sure which Service Center to call, contact the Research and Customer Care Center at 1-800-433-7327, or e-mail us at fsa.customer.support@ed.gov.

Service Centers for Schools
Click here for a listing of the service centers helpful to schools in administering the Title IV federal student aid programs.

Service Centers for Students
Click here for a listing of the service centers helpful to students in applying for and processing Title IV federal student aid.

Federal Student Aid Offices
Click here for a listing of Federal Student Aid offices helpful in administering the Title IV federal student aid programs.

Quick Reference to Call Centers
Click here to view the complete list of Customer Service Centers. (PDF)
Resources

• StudentLoans.gov
• Entrance Counseling
• Exit Counseling
• Financial Awareness Counseling
  • Not Required
  • Cannot be mandatory
• Data unique to borrower
• Info about repayment and when you cannot repay
  • Deferment
  • Forbearance
  • Discharge
  • Forgiveness
The School Customer Experience Group works proactively to identify the unique service needs of all post secondary education institutions including Historically Black Colleges and Universities (HBCU’s), Hispanic Speaking Institutions (HSI’s), and Tribally Controlled Colleges and Universities (TCCU’s) as prescribed in existing Presidential Executive Orders and provides the assistance required to ensure their continued participation in any Title IV programs.

ET Winzer, Director, School Customer Experience
Please Take Our Short Survey About Training

s.zoomerang.com/s/KevinCampbell-TX

No WWW in URL
Thank You!

Kevin Campbell
Training Officer
United States Department of Education
Federal Student Aid
214 661 9488
kevin.campbell@ed.gov