Federal Update
March 10, 2016

Kevin Campbell
Training Officer
United States Department of Education
ED presentations will be available at www.lasfaa.org
FSA Training
Quick Take Courses

• FSA related topics that can be completed in about 15 minutes
• First topics to be released, in no particular order, over the next several weeks
  • Finding Federal training resources
  • Confirming student began attendance
  • Conflicting information
  • R2T4
    “Required to take attendance” and “not required to take attendance”
The Intermediate Training course offers training in these specific areas of interest to more experienced financial aid administrators:

- **Beyond the Basics of Packaging: Awarding for Summer Sessions and Modules**
- **Beyond the Basics of R2T4, Including R2T4 for Modules**
- **Limits to Direct Subsidized Loan Interest Benefits**
- **Monitoring for Pell Grant LEU and Resolving Unusual Enrollment History Flags**
- See ANN 15-14 and **ANN 16-01** for more info
- Available at fsatraining.info
Webinar on Cash Management Regs

• Regulations were published on Oct 30, 2015 and are effective July 1, 2016 (a few on July 1, 2017)
• OPE conducted webinars on these regulations
  • Tuesday, February 9, 2016 at 1:30 P.M. (ET)
  • Thursday, February 11, 2016 at 1:30 P.M. (ET).
• These are recorded and available on IFAP
• See ANN 16-04
Webinar on 16-17 Verification and UEH

- OPE conducted a webinar on these requirements
- Recorded and available on IFAP
- See ANN 16-05
Training in the Regional Offices

- ED has training facilities throughout the USA, ten in regional offices and one in Washington, DC.
- We are making plans to host one day “Drive-In” training workshops in those facilities.
- Workshops will be presented in Spring and Summer 2016.
- Workshop topics will include:
  - Verification for 2017-18
  - Consumer Information Requirements
  - R2T4 for Credit Hours
  - R2T4 for Clock Hours
  - R2T4 for Standard Terms with Modules
Training in the Regional Offices

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region VI – Dallas Workshop</td>
<td></td>
</tr>
<tr>
<td>Consumer Information</td>
<td>4/12/2016</td>
</tr>
<tr>
<td>R2T4 Clock Hour Basics</td>
<td>5/26/2016</td>
</tr>
<tr>
<td>R2T4 Credit Hour Basics</td>
<td>6/23/2016</td>
</tr>
<tr>
<td>R2T4 Term-Based Credit Hour with Modules</td>
<td>8/2/2016</td>
</tr>
<tr>
<td>Verification</td>
<td>8/30/2016</td>
</tr>
</tbody>
</table>

- Registration is required
- Free!
- See ANN 16-03
The 2016 FSA Training Conference

Tuesday, Nov. 29 - Friday, Dec. 2, 2016

Georgia World Congress Center

Registration and lodging TBA...
Cohort Default Rates
2012 & 2013 CDRs

• Schools were mistakenly sent OFFICIAL 2012 CDRs

• On March 1, schools were sent the DRAFT 2013 CDRs

• See Mar 2 EA

• 45 day challenge period started on Mar 9
Application Processing

2016

2017
FAA Access Issue

- ED recently discovered an issue with the FAA Access to CPS Online (FAA Access) Web site
- Will not allow corrections of student and parent means-tested benefits questions to blank from being retained and submitted for processing
- Both 2015-2016 and 2016-2017 corrections entered on the FAA Access site are impacted
- See EA Jan 28 for workaround and more info
- Watch IFAP for info regarding solution
Paper FAFSAs

• More than 99 percent of FAFSAs are filed electronically
• Beginning with the 2016-2017 FAFSA we will no longer print the FAFSA as a color packet
• PDF FAFSA available on-line to be printed
• Call 1-800-4FEDAI D to request a copy
College List

• **Issue:**
  FSA has received requests from public to stop sharing full list of colleges on student’s FAFSA with every school listed.

• **Resolution:**
  ISIR sent to colleges will only include the Federal School Code and associated housing code for the school to whom the ISIR is sent.
  • Applicants will continue to receive SARs that list all the Federal School Codes selected on each transaction in order
  • State grant agencies will continue to receive the full list of the colleges but, beginning with the 2017-2018 FAFSA that listing will be provided in a *random order*
Change to Marital Status

• **Issue:**
  When a student or parent changes his/her marital status on a renewal application or correction, the corresponding marital status date isn’t always updated.

• **Resolution:**
  When a student or parent changes his/her marital status and does not change the corresponding date, an edit displays.
The following error(s) have occurred:

- You indicated that your marital status has changed. Review both your marital status and your marital status date. Click "OK" if this information is correct.

What was your marital status on the day you submitted your FAFSA?

I am divorced or widowed

When did you become divorced or widowed? Enter the month and year. (mmyyyy)

09/2011 OK
Edit When Parents Report Same SSN

- **Issue:**
  When parents are married, or unmarried and living together, they sometimes report the same identifiers.

- **Resolution:**
  When both parents report the same SSN, an edit displays.

XXX-XX-XXXX
Issue: Students and parents who report untaxed portions of IRA distributions or pensions on the FAFSA sometimes fail to subtract rollover amounts despite FAFSA and IRS help text.

Resolution: When an amount greater than $0 is reported, a message will display.
The following error(s) have occurred:

- You reported "Parents' Untaxed Portions of IRA Distributions." Review your response and make sure that rollover amounts reported on your parents' IRS tax return are not included in the amount you reported on your FAFSA. Click "OK" if this information is correct.

- You reported "Parents' Untaxed Portions of Pensions." Review your response and make sure that rollover amounts reported on your parents' IRS tax return are not included in the amount you reported on your FAFSA. Click "OK" if this information is correct.
Guidance For Legal Guardianship

• **Issue:** Applicants sometimes answer the legal guardianship question incorrectly.

• **Resolution:** FAFSA question 55 has been reworded and help text has been modified.
Does someone other than your parent or stepparent have legal guardianship of you, as determined by a court in your state of legal residence?

For this question, the definition of legal guardianship does not include your parents, even if they were appointed by a court to be your guardian. You are also not considered a legal guardian of yourself.

Select Yes if you can provide a copy of a court’s decision that as of today you are in legal guardianship.

Also select Yes if you can provide a copy of a court’s decision that you were in a legal guardianship immediately before you reached the age of being an adult in your state. The court must be located in your state of legal residence at the time the court’s decision was issued.

Select No if you are still a minor and the court decision is no longer in effect or the court decision was not in effect at the time you became an adult.

Also select No and contact your school if custody was awarded by the courts and the court papers say custody (not guardianship).

Note: The financial aid administrator at your college may require you to provide additional information such as a copy of the court’s decision.
IRS DRT Messaging

• **Issue:**
  Applicants and parents don’t understand the purpose of the IRS DRT filtering questions.

• **Resolution:**
  Text that precedes these questions has been enhanced.
IRS DRT Messaging

Student Tax Information

- Application was successfully saved.

For 2015, have you completed your IRS income tax return or another tax return?
- [ ] Already completed

For 2015, what is your tax filing status according to your tax return?
- Single

To determine if you can use the IRS Data Retrieval Tool to transfer your tax return information from the IRS into your FAFSA, answer the following question(s):

Did you file a Form 1040X amended tax return?
- [ ] Yes
- [ ] No
Other 2016-17 FAFSA Changes

• Income threshold for an Automatic Zero EFC increased to $25,000

• Change tax line references in *taxes paid questions*
  
  • Updated the question to read, “Enter your (and spouse’s) income tax for 2015. Income tax amount is on IRS Form 1040—line 56 minus line 46; 1040A—line 28 minus line 36; or 1040EZ—line 10.”
  
  • Excess Advance Premium Tax Credit Repayment and the Health Care Individual Responsibility line items should not be included as taxes paid for Title IV purposes

• Reorder text in FAFSA questions 26, 28, 29, and 30
Application Processing

2017-2018
2017-2018 Application

• 2017-2018 Processing Announcements
  – Beginning with 2017-2018, the FAFSA cycle will begin October 1 instead of January 1
    • 2017-2018 FAFSA filing will begin October 1, 2016
    • Gives more time to review, submit & update FAFSA data
  – Beginning with 2017-2018, FAFSA income information will come from the “prior, prior year”
    • 2017-2018 FAFSA will collect tax year 2015 income information

Periodic Updates on IFAP!
FAFSA CHANGES FOR 2017-18

CHANGES TO THE FAFSA® PROCESS FOR 2017-18

**SUBMIT A FAFSA EARLIER:** Students will be able to file a 2017–18 FAFSA as early as Oct. 1, 2016, rather than beginning on Jan. 1, 2017. The earlier submission date will be a permanent change, enabling students to complete and submit a FAFSA as early as October 1 every year. (There is NO CHANGE to the 2016–17 schedule. The 2016-17 FAFSA will become available January 1, 2016.)

**USE EARLIER INCOME INFORMATION:** Beginning with the 2017–18 FAFSA, students will report income information from an earlier tax year. For example, on the 2017–18 FAFSA, students (and parents, as appropriate) will report their 2015 income information, rather than their 2016 income information. The following table provides a summary of key dates as we transition to using the early FAFSA submission timeframe and earlier tax information.

<table>
<thead>
<tr>
<th>IF YOU PLAN TO ATTEND COLLEGE FROM</th>
<th>YOU CAN SUBMIT THE FAFSA FROM</th>
<th>USING TAX INFORMATION FROM</th>
</tr>
</thead>
</table>
Early FAFSA/Prior-Prior Year: Issues

We’ve heard your concerns about…

• **Outreach**
  - Periodic EAs and DCLs on IFAP with schools
  - Student websites, publications, communications will be updated appropriately and as timely as possible
  - "Early FAFSA" mailbox for the community to contribute thoughts, ideas, and concerns on the implementation of the 2017-2018 Early FAFSA

-- "Early FAFSA" mailbox -
[EarlyFAFSAFeedback@ed.gov](mailto:EarlyFAFSAFeedback@ed.gov)
Early FAFSA/Prior-Prior Year: Issues

We’ve heard your concerns about….

- Professional Judgement (GEN-16-03)
  - Reminded schools of their ability to use PJ and encourages schools to use PJ when appropriate (and properly document)
  - ED acknowledges likely increase in use of PJ
  - ED will modify risk-based compliance models to account for PJ increase
  - Reminded schools to set Professional Judgment Flag to 1 (EFC Adjustment Processed) to indicate that the CPS submission was the result of a PJ determination
We’ve heard your concerns about….

• Verification
  • May be some changes but overall process will be the same
  • In most cases financial data processed by IRS
  • DCL and Federal Notice on 17/18 verifiable items, documentation coming soon!!!
Early FAFSA/Prior-Prior Year: Issues

We’ve heard your concerns about....

- Conflicting information (16/17 vs. 17/18 data)
  - ED working to determine how to handle conflicting information during the transitional year (e.g. 2015 financial data)
  - 2/18/16 EA encourages use of IRS DRT in 16/17 and 17/18 to reduce likelihood of conflicting information
  - Further conflicting information guidance will be shared through IFAP in the near future
Prior-Prior Year – What *ISN’T* changing...

- When Pell amounts are finalized/announced
- When Pell charts are released
- When Pell origination/disbursement records can be sent to COD
- When Pell funds will be available in G5
- When award letters may be sent to students
2016-17 Federal Pell Grant
Maximum Pell Grant 2016-17

• 2016-2017 maximum Pell Grant award amount of $5,815
  • An increase of $40 from the $5,775 maximum Pell Grant award for the 2015-2016 Award Year
• 2016-2017 Award Year maximum Pell Grant eligible expected family contribution (EFC) is 5234
• See GEN 16-01
  • Has been corrected
See DCL GEN 16-05

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**FEDERAL PERKINS LOAN MASTER PROMISSORY NOTE**

<table>
<thead>
<tr>
<th>Section A: Borrower Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Name (last, first, middle initial) and Permanent Address (street, city, state, zip code)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Section B: School Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. School Name &amp; Address (street, city, state, zip code)</td>
</tr>
</tbody>
</table>

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Terms and Conditions: (Note: Additional Terms and Conditions follow on subsequent pages)

**APPLICABLE LAW:** The terms of this Federal Perkins Loan Master Promissory Note (hereinafter called the Note) and any disbursements made under this Note shall be interpreted in accordance with Part E of Title IV of the Higher Education Act of 1965, as amended (hereinafter called the Act), as well as Federal regulations issued under the Act. All sums advanced under this Note are subject to the Act and Federal regulations issued under the Act.

**REPAYMENT:** I am obligated to repay the principal and interest that accrues on my loan(s) to the above-named institution (hereinafter called the School) over a period beginning 9 months (or sooner if I am a Less-Than-Half-Time Borrower) after the date I cease to be at least a half-time student at an institution of higher education or a comparable school outside the United States approved by the United States Department of Education (hereinafter called the Department) and ending 10 years later, unless I request in writing that my repayment period begin sooner. I understand that the School will report the amount of any installment payments, along with the amount of this loan to at least one national credit bureau. Interest on this loan shall accrue from the beginning of the repayment period. My repayment period may be shorter than 10 years if I am required by my School to make minimum monthly payments. My repayment period may be extended during periods of deferment, hardship, or forbearance and I may make graduated installments in accordance with a schedule approved by the Department. I will make my installment payments in equal monthly, biweekly, or quarterly installments as determined by the School. The School may round my installment payment to the nearest higher dollar multiple of $5. I will make a minimum monthly repayment of $40 (or $30 if I have outstanding Federal Perkins Loans made before October 1, 1997 that included the $30 minimum monthly payment option or outstanding National Direct Student Loans) in accordance with the Minimum Monthly Payment Section of the Terms and Conditions contained on the reverse side of this document.

**LATE CHARGES:** The School may impose late charges if I do not make a scheduled payment when due or if I fail to submit to the School on or before the due date of the payment, a properly documented request for any of the forbearance, deferment, or cancellation benefits as described below. No late charges may exceed 20 percent of any monthly, biweekly, or quarterly payment. The School may add the late charges to principal the day after the scheduled payment was due or include it with the next scheduled payment after I have received notice of the charge. Such notice is sent before the next installment is due.

**FORBEARANCE, DEFERMENT, OR CANCELLATION:** I may apply for a forbearance, deferment, or cancellation on my loan. During an approved forbearance period, payments of principal and interest, or principal only, may be postponed or reduced. Interest continues to accrue while my loan is in forbearance. During an approved deferment period, I am not required to make scheduled installment payments on my loan. I am not eligible for any interest that might otherwise accrue while my loan is in
Perkins Loan Program

• Federal Perkins Loan Program Extension Act of 2015
  • Extends program through September 30, 2017
  • Eliminates the Perkins Loan five-year grandfathering provisions
  • Places requirements on the eligibility for undergraduates to receive a loan

In the Senate of the United States, December 16, 2015.

Resolved, That the bill from the House of Representatives (H.R. 3594) entitled “An Act to extend temporarily the Federal Perkins Loan program, and for other purposes.”, do pass with the following

AMENDMENT:

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.
2 This Act may be cited as the “Federal Perkins Loan Program Extension Act of 2015”.
4 SEC. 2. EXTENSION OF FEDERAL PERKINS LOAN PROGRAM.
Perkins Loan Program

- Federal Perkins Loan Program Extension Act of 2015
  - Eligibility requirements for grad students are much more limited
  - Requires school disclosures
  - Requires return of federal share of revolving fund after October 1, 2017
Perkins Loan Program

- In general, the Extension Act eliminates the Perkins Loan grandfathering provisions contained in DCL GEN-15-03
- The Extension Act establishes new eligibility requirements for undergraduate and graduate students to receive Perkins Loans
Perkins Loan Program

Undergraduate Students

<table>
<thead>
<tr>
<th>A school may make Perkins Loans through—</th>
<th>To an—</th>
<th>Who, on the date of disbursement—</th>
<th>If the school has awarded the student—</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 30, 2017</td>
<td>Eligible current undergraduate student</td>
<td>Has an outstanding balance on a Perkins Loan made by the school.</td>
<td>All Direct Subsidized Stafford Loan aid for which the student is eligible.</td>
</tr>
<tr>
<td>September 30, 2017</td>
<td>Eligible new undergraduate student</td>
<td>Does not have an outstanding balance on a Perkins Loan made by the school.</td>
<td>All Direct Subsidized and Unsubsidized Stafford Loan aid for which the student is eligible.</td>
</tr>
</tbody>
</table>
Perkins Loan Program

• An undergraduate student who was awarded a Direct Subsidized Loan and/or a Direct Unsubsidized Loan can decline one or both of the loans (or request a lesser amount). However, the student’s Direct Loan eligibility amounts must be included in the calculation of the undergraduate student’s Perkins Loan amount, regardless of whether they actually borrow that full amount.
## Perkins Loan Program

### Graduate Students

<table>
<thead>
<tr>
<th>A school may continue to make Perkins Loans through—</th>
<th>To an—</th>
<th>If the graduate student—</th>
<th>And the new Perkins Loan will—</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 30, 2016</td>
<td>Eligible graduate student who has received a Perkins Loan before October 1, 2015.</td>
<td>Received his or her <strong>most recent</strong> Perkins Loan from the school, for enrollment in an academic program at the school.</td>
<td>Enable the graduate student to continue or complete the academic program for which the student received his or her <strong>most recent</strong> Perkins Loan.</td>
</tr>
</tbody>
</table>
Perkins Loan Program

• If an eligible graduate student borrower receives a disbursement of a Perkins Loan after June 30, 2016, and before October 1, 2016, for the 2016-2017 award year, the student may receive any subsequent disbursements of that Perkins Loan.

• ED considers a graduate student to be continuing or completing the academic program for which the student received his or her most recent Perkins Loan only if the first four digits of the program’s Classification of Instructional Program (CIP) code are identical to the first four digits of the CIP code for the academic program for which the student received his or her most recent Perkins Loan.
Must I liquidate my Perkins portfolio?

NO

While currently the Department cannot require schools liquidate, Section 466(c) of the Higher Education Act requires institutions to return to the Department of Education the Federal share of any Excess Liquid Capital in the institution’s Federal Perkins Loan Revolving Fund.

This statutory requirement for institutions to return Excess Liquid Capital is not directly related to the wind-down of the Federal Perkins Loan Program.

See DCL GEN-15-19, published September 29, 2015 for details
http://ifap.ed.gov/ifap/cbp.jsp
Career Pathway Programs & Title IV Eligibility
New Changes

- Consolidated and Further Continuing Appropriations Act of 2015 (Pub. L. 113-235) enacted 12/16/14
  - Changed section 484(d) HEA to allow a student who does not have a high school diploma (or recognized equivalent), or who was not properly homeschooled, to be eligible for Title IV aid through ability to benefit (ATB) alternatives, but ONLY if the student is enrolled in an "eligible career pathway program"

- The NEW Consolidated Appropriations Act of 2016 enacted 12/18/15 made changes to the prior Career Pathway Program requirements
ATB and Career Pathway Programs

Allows for Ability-to-Benefit (ATB) alternatives for students without a high school diploma, or equivalent (or home schooled) who are enrolled in an eligible “Career Pathway Program”
ATB and Career Pathway Programs

- Ability-to-Benefit –
  - Passes an independently administered Department of Education approved ATB test
    - June 24, 2015 Electronic Announcement
  - Completes at least 6 credit hours or 225 clock hours that are applicable toward a degree or certificate offered by the postsecondary institution
  - Completes a State process approved by the Secretary
    - No State process currently approved by ED
**NEW** Eligible Career Pathway Program Definition

- A program that combines rigorous and high-quality education, training, and other services that
  - Aligns with the skill needs of industries in the regional economy
- Prepares students to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships
- Includes counseling to support students in achieving education and career goals
*NEW* Eligible Career Pathway Program Definition

- Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster

- Organizes education, training, and other services to meet student’s needs in a manner that accelerates educational and career advancement
*NEW* Eligible Career Pathway Program Definition

- Enables students to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

- Helps an individual enter or advance within a specific occupation or occupational cluster.
Limited Pell Grants REMOVED

- Consolidated Appropriations Act of 2016 also removed the limited Pell Grant requirement for ATB students in a Career Pathway Program
  - No longer an alternative Pell disbursement schedule

A Dear Colleague Letter is planned to explain changes in the career pathway program process, including potential adjustments for students who initially received a limited Pell – stay tuned to IFAP!
Gainful Employment
Gainful Employment: Important Dates

REPORTING
JUL 31, 2015
(For 2008/2009 to 2013/2014 Data)
OCT 01, 2015
(For 2014/2015 Data)

COMPLETERS LIST FOR INSTITUTIONS
Spring 2016

COMPLETERS LIST CHALLENGES DUE FROM INSTITUTIONS
45 days

DRAFT DEBT-TO-EARNINGS RATES TO INSTITUTIONS
SUMMER 2016

DRAFT DEBT-TO-EARNINGS RATES CHALLENGES DUE FROM INSTITUTIONS
45 Day Challenge Period

RELEASE FINAL DEBT-TO-EARNINGS RATES TO INSTITUTIONS
WINTER 2016

DISCLOSURES (UPDATES)
JANUARY 2016

DISCLOSURES
(NEW REGULATORY REQUIREMENTS)
JANUARY 2017

PROGRAM CERTIFICATIONS
DECEMBER 2015 & Ongoing
Gainful Employment: Corrections and Challenges

• Important information and data –
  • Completer Lists – Spring 2016
    • Schools will have 45 days to respond
    • Webinar Recordings - Gainful Employment: Interpreting the GE Completers List and How to Submit a Challenge to the GE Completers List
  • Draft D/E Rates w/Backup Data – Summer ‘16
  • Final D/E Rates w/Backup Data – Winter ’16
  • See GE EA #73
Gainful Employment: Corrections and Challenges

• Each institution must –
  • Establish SAIG Mailbox for GE Files
  • Register for the Data Challenges and Appeals Solution (DCAS) using Participation Management
  • See GE EAs #64, #67 and #71
Gainful Employment Disclosures

• Beginning in 2017, in addition to program information, required disclosures could include:
  • D/E rates
  • Program cohort default rates
  • Loan repayment rates
  • Median loan debt
  • Percent borrowing
  • Completion rates
  • Withdrawal rates
  • Placement rates
Information for Financial Aid Professionals (IFAP)

The Information for Financial Aid Professionals (IFAP) Web site consolidates guidance, resources, and information related to the administration and processing of Title IV federal student aid into one online site for use by the entire financial aid community.

The most recent postings to the site are listed in the What's New section.

Tools for Schools
Click on this box to access online and computer-based training resources.

Worksheets, Schedules, & Tables
Click on this box to access worksheet, schedule, and table resources.

Publications
Click on this box to access program-related and processing-related publications.

Processing Resources
Click on this box to access program and system processing information and materials.

What's New
Below is an abbreviated list of the most recent postings to the IFAP Web site. Click here or on the "What's New" link in the top menu bar to view all recent postings.

COD XML Schema
2013-10-28 Subject: COD Common Record XML Schema Version 4.8a

Hot Topics
- Program Integrity Information - Questions and Answers
- Federal Student Aid Data Center
- Disaster Assistance

Gainful Employment
Links to information for gainful employment

150% Direct Subsidized Loan Limit Info
Links to information for 150% Direct Subsidized Loan Limit Info

Letters & Announcements
Policy and operational guidance for participants in the administration of Title IV federal student aid programs
GE Resources

- 2015 FSA Training Conference Presentations
- Session 30 - Gainful Employment
  The Challenge System
- Session 31 - Gainful Employment Overview
- Available on IFAP
GE Resources

- GE Operations Manual
  - Recently enlarged
- NSLDS Gainful Employment User Guide
  - Recently updated with Completer List info
- GE Questions mailbox at GE-Questions@ed.gov

- DCAS User Manual
- DCAS Training Material
Standard Term Exceptions
Two Week Tolerance

- Two week tolerance for standard terms
  - Normally, classes offered in a standard term calendar are expected to take place within the confines of a standard term
  - Those classes may be a module or not
- If the class or classes, within an academic program, exceed the confines of the standard term by more than two weeks, it renders the term non-standard and the program will be non-standard
- If the class or classes, within an academic program, exceed the confines of the standard term by two weeks or less, the term remains standard
Two Week Tolerance

• It is a TOTAL of two weeks
  • Not two weeks per class
• If History 201 extends the semester by 1 week at the end and Geology 201 starts 10 days before the semester AND these are part of the same academic program, the two week tolerance has been exceeded since we are looking at 17 days
• The two weeks must be contiguous to the term
  • No unreasonable breaks between the class extension and the term itself
Two Week Tolerance

• The two weeks must not overlap another term

Fall Semester  
Spring Semester  
History 201

Two week extension of Hist 201

• History 201, a Spring Semester class is not exceeding the two week tolerance and it is not overlapping another term
Two Week Tolerance

- The two weeks must not overlap another term

Overlapping terms = a non-term calendar/program

- Math 201, Spring Semester class is not exceeding the two week tolerance but it is overlapping another term

- **Overlapping terms = a non-term calendar/program**
Clinical Work and Standard Terms

• Some programs follow a strictly standard term calendar until the student progresses to a part of the program that involves work outside of the classroom but still part of their academic program
  • We will refer to this as clinical work
• Often found in medical related fields and in programs preparing educators
• This clinical work may not coincide with the institution’s standard terms
  • Usually due to the clinical work having a different calendar
Clinical Work and Standard Terms

Institutions may allow, for Title IV purposes, the clinical work to be treated as if it were being offered on the schools standard term calendar, if ALL of the following apply:

1. All students in program must participate in the practicum/clinical experience and completion is required for graduates to apply for licensure or authorization to practice the occupation those students intend to pursue.

2. Institution has little or no control over length or start/end dates of practicum or clinical experience. May be the result of constraints imposed by outside licensing bodies, or the need to accommodate the schedules of entities with which students are being placed (e.g., school districts and hospitals).

3. Credit hours associated with the practicum or clinical experience must be associated with the term in which most of the training occurs, even if the starting and ending dates do not exactly align with the term dates and/or overlap with another term exists.
Clinical Work and Standard Terms

• If the clinical work meets all of the requirements on the previous slide
  • The clinical work will not create nonstandard terms
  • The clinical work will not create a nonterm calendar even if the clinical work is overlapping another term
Clinical Work and Standard Terms

• Some rules to remember for clinical work in this category
  • Policies and Procedures must explain how this aspect of Title IV administration is being handled by the school
  • The academic year and loan period for Direct Loans should be determined using the actual training dates and the loan should reflect the cost of attendance and estimated family contribution for the actual training period
  • Return of Title IV funds (R2T4) calculations are based on a payment period or period of enrollment that reflects the actual training dates
Recent Federal Registers

FEDERAL REGISTER

Vol. 80 Friday,
No. 210 October 30, 2015
Final Rule: Title IV Student Loan Programs

• Final regulations published on October 30
  • Revised Pay As You Earn (REPAYE)
    • Extends the 10 percent payment cap to an additional 6 million loan borrowers
    • Early implementation in December 2015
Final Rule: Title IV Student Loan Programs

- Final regulations published on October 30
- Expands the circumstances under which an institution may challenge or appeal a draft or final cohort default rate
- Will be effective in February 2017
Final Rule: Cash Management

- Final regulations published on October 30
- Most changes effective July 1, 2016
- Two cash management provisions delayed until July 1, 2017
Final Rule: Cash Management

• Updated regulations include tougher standards and greater transparency around agreements between colleges and companies providing prepaid/debit cards to students
  • Meaningful choice of products
  • Clear and neutral information
  • Looking at fees charged

• Other regulations modified
  • §668.162 (c) and (d) Reimbursement and HCM
  • §668.163 Maintaining and accounting for funds
  • §668.164 Disbursing funds
Final Rule: Non-Cash Management

• Other, non-cash management regulations affected
• What programs must be clock hour
• Repeat coursework
668.8(k)(2) A program is considered to be a clock-hour program for purposes of the title IV, HEA programs if—

(i) Except as provided in paragraph (k)(3) of this section, a program is required to measure student progress in clock hours when—

(A) Receiving Federal or State approval or licensure to offer the program; or

(B) Completing clock hours is a requirement for graduates to apply for licensure or the authorization to practice the occupation that the student is intending to pursue;

(ii) The credit hours awarded for the program are not in compliance with the definition of a credit hour in 34 CFR 600.2; or

(iii) The institution does not provide the clock hours that are the basis for the credit hours awarded for the program or each course in the program and, except as provided in 384.4(e), requires attendance in the clock hours that are the basis for the credit hours awarded for the program.
668.2. *Full-time student:* An enrolled student who is carrying a full-time academic workload, as determined by the institution, ... that the institution considers sufficient to classify the student as a full-time student including for a term-based program, repeating any coursework previously taken in the program but not including either more than one repetition of a previously passed course,

However, for an undergraduate student, ...
Final Rule: Repeat Coursework

- New rule clarifies that rule is applicable to
  - Undergraduate students
  - Graduate students
  - Professional students
- Effective July 1, 2016
Final Rule: Cash Management

• Listen to the Cash Management webinars on IFAP
  • ANN 16-04
Proposed Rule: Borrower Defenses

- Rules to allow borrowers to request loan discharge based on a borrower defense of school misrepresentation
- Schedule for Negotiations
  - Session 1: January 12–14, 2016
  - Session 2: February 17–19, 2016
  - Session 3: March 16–18, 2016
Proposed Rule: Borrower Defenses

• Anticipate publishing proposed rules by summer 2016
• Anticipate publishing final rules by November 1, 2016
• Review comments sent in prior to negotiations at http://www.regulations.gov, Docket ID number ED-2015-OPE-0103
Proposed Rule: Borrower Defenses

• Negotiated Rulemaking Committee will consider:
  • Standards and procedures that ED will use to determine school liability for amounts based on borrower defenses
  • Effect of borrower defenses on institutional administrative capability assessments
G5 and System for Award Management (SAM)
Confirm DUNS in SAM

- To complete the annual confirmation, a school should go to the SAM Web site and search for each DUNS number associated with programs for which the school expects to receive funds from the Department of Education (the Department). The URL for the SAM Web site is https://www.sam.gov.

- Additional information about the annual renewal requirements can be found in the Frequently Asked Questions (FAQs) located under the "HELP" tab on the SAM Web site.

- See Mar 8 EA.
Confirm DUNS in SAM

• **Other Important Reminders:**
  • If a school's Payee DUNS number is different than its Grantee DUNS number, it must register both numbers with the SAM Web site.
  • If a school has multiple Grantee and Payee DUNS numbers, it must register all of them with the SAM Web site.
  • If a school needs to register one or more DUNS numbers, it should allow 3-5 business days to complete the registration process.

• **Contact Information**
  • If you have questions about the process change for DUNS verification or regarding the SAM Web site, contact the Federal Service Desk at 866/606-8220.
Debt Relief Companies
Debt Relief Companies

- Companies that promise assistance with student loan debt
  - Debt forgiveness
  - Deferment
  - Forbearance
  - Payment plans
  - Other assistance and info
- For the low, low price of ….
“We’ve put these companies on notice that they may not misrepresent their relationship with the Department to trick students into paying for free services,” he said in the video.

A message from Acting Secretary John King about Debt-Relief Scams

DON’T BE AFRAID TO ASK FOR FREE HELP IF YOU’RE IN DEBT!
Thanks for what you do!
Training Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation

https://s.zoomerang.com/s/KevinCampbell-TX

Survey feedback is a tool to help us improve our training, justify training/travel expenditures and to listen to our customers

Please provide any comments regarding this training or the trainer to:

Jo Ann Borel, Title IV Training Supervisor  joann.borel@ed.gov
Need Help?

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fsa.customer.support@ed.gov

Reach FSA
855.FSA.4FAA  --  1 number to reach 10 contact centers!

Campus Based Call Center  eZ-Audit
COD  School Eligibility Service Group
CPS/SAIG  Foreign Schools Participation Division
NSLDS  Research and Customer Care Center
G5  Nelnet Total & Permanent Disability Team
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Thank You, LASFAA!
Questions about this Session?

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