

Hot Topics

April 18, 2013

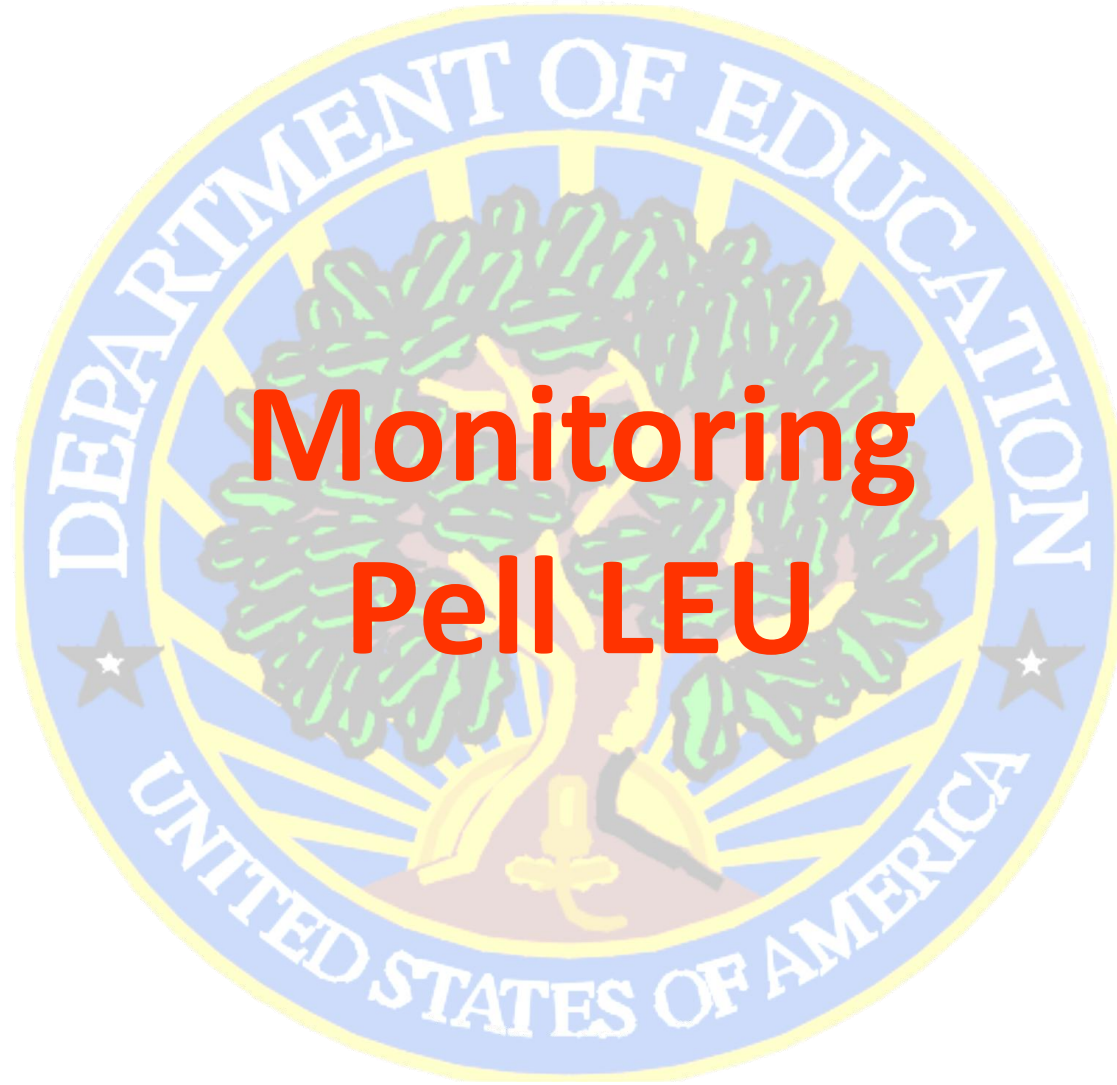
MASFAA

Rick Renshaw

U.S. Department of Education

Topics

- **Monitoring Pell LEU**
- **Monitoring the 150% Subsidized Loan Limit**
- **Verifying HS Completion and ID/SEP**
- **Implementing the Financial Aid Shopping Sheet**



Pell Duration of Eligibility

Consolidated Appropriations Act, 2012 –

- Establishes the duration of a student's eligibility to receive Pell Grant to be 12 semesters or its equivalent.
 - Effective with the 2012-2013 award year.
 - Applies to all students
 - Includes all years of the Pell/Basic Grant Program
 - Back to the 1973-1974 Award Year
 - See DCL GEN-12-01 and various Electronic Announcements and Tech References

Pell Duration of Eligibility

- Calculate the 12 semester equivalency by adding together each of the annual percentages of a student's scheduled award that was actually disbursed to the student
- Results in LEU – Lifetime Eligibility Used
- Once LEU reaches 600%, student no longer eligible for Pell Grant funding
- If LEU more than 500% but less than 600%, partial eligibility for the award year

2013-2014 CPS Enhancements

Pell Lifetime Eligibility Used (LEU)

NEW

for 2013-2014 includes:

- Adding the Pell Lifetime Limit Flag from NSLDS to the ISIR
- Adding the Pell LEU percentage to the NSLDS pre-screening data and to the ISIR
 - The Pell LEU % will be a 7-character field with an implied decimal – (example: xxxx.xxx%)

XXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXX

999-99-9999

CCYY-CCYY NSLDS FINANCIAL AID HISTORY

Processed: MM/DD/CCYY

This page contains your previous financial aid information, which is contained in the National Student Loan Data System (NSLDS). Your Financial Aid Administrator will use it to determine your eligibility.

#Discharged	#Fraud	#Defaulted	#Loan Sat.	#Active	#Post Screening	#TEACH
Loan Flag:Y	Loans:Y	Loans:Y	Repayment:Y	Bankruptcy:N	Reason: 99,99,99	Loan:Y
Unusual Enrollment History: 9			#Overpayment: Contact:		LEU %	Lifetime Limit Flag

ACG:

Pell:	X	XXXXXXXXXXXXXXXXX	9999.999%	X
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N.SMART:	X	99999999		
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TEACH:	X	99999999		
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Iraq and Afghanistan Service Grant:	X	99999999		
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FSEOG:	X	99999999		
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Perkins:

The seal of the U.S. Department of Education is a circular emblem. It features a blue outer ring with the words "DEPARTMENT OF EDUCATION" at the top and "UNITED STATES OF AMERICA" at the bottom, separated by two stars. Inside the ring is a yellow sunburst. In the center of the sunburst is a green oak leaf wreath. Below the wreath is a yellow torch with a flame.

Monitoring the 150% Subsidized Loan Limit

Subsidized Loan Limitation

P.L. 112-141

- Established a limit of how many years a student may receive subsidized loans
 - Applies to “new borrowers” on or after July 1, 2013
 - Borrower with no balance on a FFEL or Direct Loan on July 1, 2013.
 - When student has received subsidized loans for 150% of the published length of the academic program -
 - Student may not receive additional subsidized loans for enrollment in that program.

Subsidized Loan Limitation

Program Length	Limitation on Subsidized Loan Eligibility
4-Year Bachelor's Degree	6 Years of subsidized loan eligibility
2-Year Associates Degree	3 Years of subsidized loan eligibility
1-Year Certificate Program	1 ½ Years of subsidized loan eligibility
10 Week Certificate Program	15 Weeks of subsidized loan eligibility

Subsidized Loan Limitation

- Transfers –
 - Students maximum time to receive subsidized loans is established based on the length of the program in which the student is enrolled.
 - Remaining subsidized eligibility is calculated by subtracting from maximum eligibility for the program, the time the student has already received subsidized loans for enrollment in any program.

Subsidized Loan Limitation

- Transfer Examples –
 - Student receives two years of subsidized loans while enrolled in a two-year program
 - Student transfers to a four-year BA program
 - Student has four years of remaining subsidized loan eligibility
 - Student receives three years of subsidized loans while enrolled in a four-year BA program
 - Student transfers to a two-year AA program
 - Student has no remaining subsidized loan eligibility

Subsidized Loan Limitation

P.L. 112-141 also provides that under certain conditions a student who loses eligibility for additional subsidized loans may lose interest subsidy on subsidized loans received from July 1, 2013.

Subsidized Loan Limitation

- ED/FSA will track, calculate, and inform students and institutions.
 - Likely to be codes and comments on SARs and ISIRs.
 - COD editing and enforcement.
- Schools will need to -
 - Provide program information, including length of program, to both COD and to NSLDS; and
 - Update and correct loan academic year dates and loan period dates.

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Verifying HS Completion and ID/SEP

V4—Custom

- High School Completion Status *New*
- Identity/Statement of Educational Purpose *New*
- SNAP
- Child Support Paid

V5—Aggregate

- High School Completion Status *New*
- Identity/Statement of Educational Purpose *New*

AND

- All items indicated->Tax Filer (V1)
- All items indicated->Non-Tax Filer (V1)

2013-14 Verification Items

- Annual Federal Register notice—
 - Items to verify
 - Acceptable documentation
- 2013-2014 Federal Register Notice: July 12, 2012
- DCL GEN-12-11, July 17, 2012

Documentation: HS Completion

Documentation of HS completion status: *HS diploma earned*

- Copy of HS diploma; or
- Final HS transcript that shows the date of graduation

Note: If a copy of an applicant's HS diploma or final HS transcript is unavailable, the institution may accept alternative documentation

Documentation: HS Completion

Documentation of HS completion status:

Recognized equivalent of a HS diploma

- GED Certificate;
- State certificate received by a student after the student has passed a State-authorized exam that the State recognizes as the equivalent of a HS diploma;
- Academic transcript of a student who has successfully completed at least a 2-year program acceptable for full credit toward a bachelor's degree; or

Documentation: HS Completion

Documentation of HS completion status:
recognized equivalent of a HS diploma

- For a person seeking enrollment in an educational program that leads to at least an associate degree or its equivalent and has not completed HS but has excelled academically in HS, documentation from the HS that the student excelled academically in HS and documentation from the post-secondary institution that the student has met the formalized, written policies of the post-secondary institution for admitting such students

Documentation: HS Completion

Documentation of HS completion status: *Homeschooled*

- Transcript, or equivalent, signed by the parent or guardian, that lists the secondary school courses completed by the applicant and documents successful completion of a secondary school education; OR
- A secondary school completion credential for home school (other than a HS diploma or its recognized equivalent) provided for under State law

Documentation: Identity

Documentation of *identity/statement of educational purpose*

- Appear *in person* and present to an institutionally authorized individual (or notary public)
 - A valid gov't-issued photo ID (e.g., driver's license, non-driver's license, passport); AND
 - A signed statement of educational purpose (notarized if unable to appear in person) *

***NOTE: must use ED's language to verify statement of educational purpose (Electronic Announcement – 1/18/2013)**

Documentation: Identity

Documentation of *identity/statement of educational purpose* (cont.)—

- Must maintain, annotated document of identification submitted by the applicant that includes:
 - The date the documentation was received;
 - AND
 - The name of the institutionally-authorized person who obtained the documentation

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Implementing the FA Shopping Sheet

Financial Aid Shopping Sheet

Student Specific Information:

Cost of Attendance Elements


Grants and Scholarships

Net price After Grants

Work Options

Loan Options

Other Options Incl. Family Contribution



University of the United States (UUS)
Student Name, Identifier

MM / DD / YYYY

Costs in the 2013-14 year

Estimated Cost of Attendance		\$ X,XXX / yr
Tuition and fees	\$ X,XXX	
Housing and meals	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

LOW

MEDIUM

HIGH

71%

Loan Default Rate

Percentage of borrowers entering repayment and defaulting on their loan

8%

9.4%

This institution
National

Median Borrowing

Students at UUS typically borrow \$X,XXX in Federal loans for their undergraduate study. 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: <http://studentaid.ed.gov/repay-loans/understand/plans>

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

What will you pay for college

Net Costs
(Cost of attendance minus total grants and scholarships)

\$ X,XXX / yr

Options to pay net costs

Work options

Work-Study (Federal, state, or institutional) \$ X,XXX

Loan options*

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

*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.)

\$ X,XXX / yr

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

Customized information from UUS

Institutional Metrics:

Graduation rate under “Student Right-to-Know”

Most recent cohort default rate

Median debt for completers

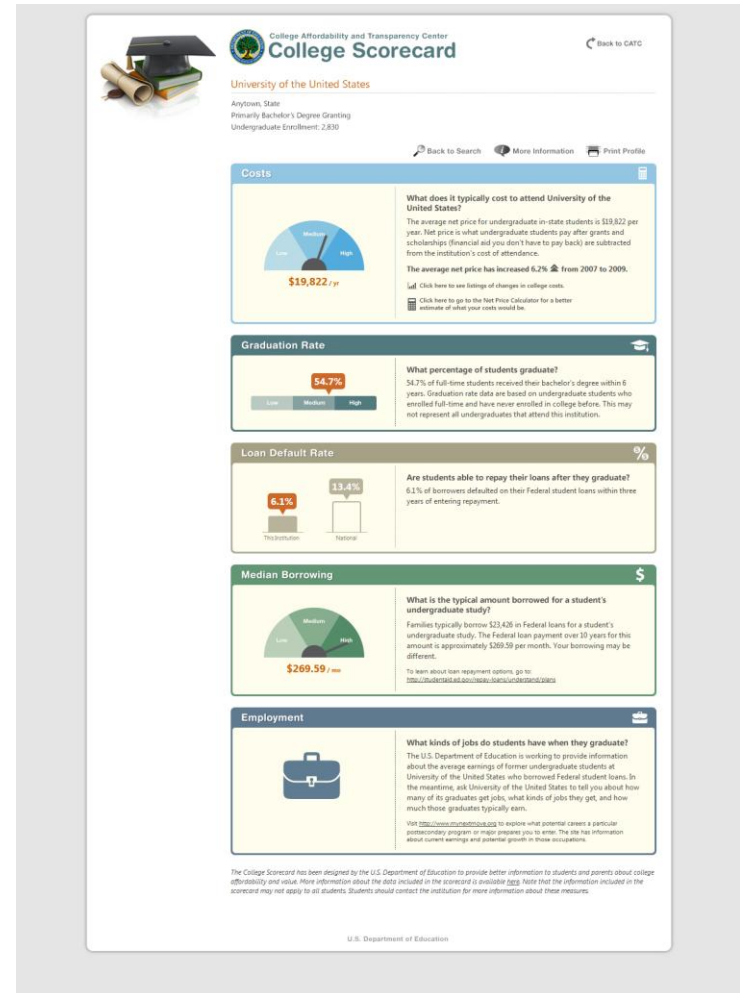
Loan repayment information

Contact information

College Scorecard

College Scorecard

An online tool that will make it easier for students and families to compare colleges by comparing information such as: net price; graduation rates; default rates; student loan debt; and earnings potential





QUESTIONS?

My Contact Information

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Your Denver Regional Training Team

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- Deb Tarpley, Training Officer
 - 303.844.3683
 - deborah.tarpley@ed.gov

My Supervisor Requests Your Feedback

- Mark Gerhard
- Supervisor of Training Officers
- U.S. Dept. of ED/Federal Student Aid
- 415.486.5620
- mark.gerhard@ed.gov
- Please use this link to complete your evaluation:

<https://s.zoomerang.com/s/RickRenshaw>

Session Name: MASFAA 2013 Hot Topics