


## Federal Update



**Federal Update**

**MASFAA Conference**  
**April 2016**

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Joseph Massman  
U.S. Department of Education

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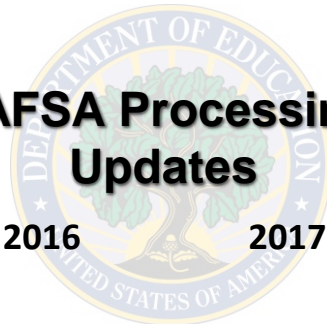
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**FAFSA Processing Updates**

**2016 2017**

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**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*

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### 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 being updated.
- **Resolution:**  
When a student or parent changes his/her marital status and does not change the corresponding date, an edit displays.

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### Marital Status Date Edit

 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 (mm/yy)  09/2011 OK

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### 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.

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### Duplicate Parent SSN Edit

**The following error(s) have occurred:**

- You indicated that your parents are either married, or unmarried and living together, and you reported the same Social Security Number (SSN) for both parents. You must correct the parents' marital status, or the SSN for one parent.

What is your Parent 1 (father's/mother's/stepparent's) Social Security Number? 111-22-3333

What is your Parent 1 (father's/mother's/stepparent's) last name? de

What is your Parent 1 (father's/mother's/stepparent's) first initial? a

What is your Parent 1 (father's/mother's/stepparent's) date of birth? (mm/dd/yyyy) 01/01/1962

What is your Parent 2 (father's/mother's/stepparent's) Social Security Number? 111-22-3333

What is your Parent 2 (father's/mother's/stepparent's) last name? de

What is your Parent 2 (father's/mother's/stepparent's) first initial? a

What is your Parent 2 (father's/mother's/stepparent's) date of birth? (mm/dd/yyyy) 01/01/1962

111-22-3333

de

a

01/01/1962

111-22-3333

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### Messaging to Explain Rollovers

- 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.



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### Rollover Message

**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.

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## Federal Update

### 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.



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### Legal Guardianship Messaging

Does someone other than your parent or stepparent have legal guardianship of you, as determined by a court in your state of legal residence?

< PREVIOUS
This is question 55 on the paper FAFSA

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.

HELP PRINT  
CLOSE

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### 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.

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### Other 2016-17 FAFSA Changes

- Income threshold for an Automatic Zero EFC increased to \$25,000
- Updated 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
- Reordered text in FAFSA questions 26, 28, 29, and 30

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## Federal Update

### 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!*

9/14/15 Elec. Ann.


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### Paper FAFSAs

- More than 99 percent of FAFSAs are filed electronically.
- Beginning with the 2017-2018 FAFSA we will no longer print the FAFSA as a color packet.
- PDF FAFSA available on-line to be printed
- Call 1-800-4FEDAID to request a copy

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## 2016-2017 Verification

Resources

- GEN-15-11
- Federal Register Notice – June 26, 2015
- Suggested Text – November 18, 2015
- Tax Return Transcript Matrix – March 23, 2016

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## Federal Update

**2016-17 Verification - Changes**

Verification Tracking Group changes:

- Verification Tracking Group V3 (Child Support Paid) has been removed
- Applicants placed in V1, V4, V5, and V6 must still verify child support paid if on ISIR



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**2016-17 Verification - Changes**

Verification Tracking Group changes:

- Applicants may be moved from previously assigned Groups V1, V4, and V6 to Verification Tracking Group V5
  - Applicant is only required to verify the additional items in V5 that were not previously verified
  - If the applicant is moved to Verification Tracking Group V5, no additional disbursements of any Title IV aid may be made until verification is satisfactorily completed

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**2016-17 Verification - Changes**

Verification Tracking Group changes:

- Applicants moved to Verification Tracking Group V5
  - If verification was completed and Title IV aid was disbursed prior to receiving an ISIR with an updated V5 code, and the applicant does not complete the V5 verification, the applicant is liable for the full amount of TIV aid disbursed for 2016-2017 (except FWS funds)
  - The institution is not liable
    - *Except school must return any Title IV funds as required in any R2T4 calculations*

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## Federal Update

**2016-17 Verification - Changes**

Applicants moved to V5

- Verification Selection Change Flag
  - Y: indicates verification was not set and now record is selected for verification
  - C: indicates the verification tracking group has changed
    - This "C" is transaction specific

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**High School Completion Status**

- For V4 and V5, if institution successfully verified and documented applicant's high school completion status for a prior award year, verification of high school completion status is not required for subsequent years
- DD Form 214 Certificate of Release or Discharge From Active Duty *may serve* as alternative documentation to verify a student's high school completion if it indicates that the individual is a high school graduate or equivalent (GEN-15-11)
- An institution may not accept as alternative documentation an applicant's self-certification

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**Verification Policy Updates**

Victims of IRS tax-related identity theft must submit:

- Statement signed and dated by tax filer indicating they were victims of IRS tax-related identity theft and the IRS has been made aware of the tax-related identity theft; and
- A Tax Return DataBase View (TRDBV) transcript obtained from the IRS
  - Tax filers who cannot obtain a TRDBV transcript may instead submit another official IRS transcript or equivalent document provided by the IRS if it includes all of the income and tax information required to be verified

**Guidance applies to 15/16 and subsequent years**

- Posted in 6/26/15 Federal Register Notice

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## Federal Update

### Verification Policy Updates

*Individuals who filed an amended tax return must submit the following documents to the school:*

- An IRS Tax Return Transcript, or any other IRS tax transcript(s) that include all of the income and tax information required to be verified; and
- A signed copy of the IRS Form 1040X that was filed with the IRS

**Guidance effective 8/13/15 for 15/16 and subsequent years**

- Posted on Program Integrity Q & A website

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### V4/V5 Tracking Results – 2016-2017

- The V4 and V5 tracking process in FAA Access that began in the 2014-15 processing year will continue for 2016-17
- Schools need to select the proper award year for which they are providing results
  - 2015-16, 2016-17, etc.

<https://faaaccess.ed.gov>

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### Career Pathway Programs & Title IV Eligibility



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## Federal Update

### 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**

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### 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"



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### 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

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## Federal Update

### **\*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

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### **\*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.

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### **\*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

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## Federal Update

**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!*

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**Federal Perkins Program**

GEN-16-05

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**Perkins Loan Program - THEN**

- Program ended on September 30, 2015
  - No congressional action
  - Schools were not to make Federal Perkins Loans to new borrowers after September 30, 2015
    - Grandfather provisions allowed certain students eligibility through September 2020
- Dear Colleague Letter GEN-15-03 provided guidance

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## Federal Update

### Perkins Loan Program - **NOW**

But then came the "**Federal Perkins Loan Program Extension Act of 2015**" (P.L. 114-105)

- Signed by the President effective 12/18/2015
- Eliminates the Perkins Loan grandfathering provisions provided in GEN-15-03
- Extends the Perkins Loan Program through September 30, 2017 (with limitations)
- Different requirements for undergrad students vs. graduate students
- DCL GEN-16-05 supersedes GEN-15-03

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### Perkins Loan Program

#### Undergraduate Students

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

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### Perkins Loan Program

- Undergraduate students
  - Undergraduate student awarded a Direct Subsidized and/or Direct Unsubsidized Loan can decline or reduce the loans
    - Direct Loan eligibility amounts must still be included in the calculation of the undergraduate student's Perkins Loan amount
  - Consolidated Perkins Loans no longer considered an outstanding Perkins Loan; student treated as a new undergraduate student
  - If an eligible undergraduate student borrower receives a disbursement of a Perkins Loan after June 30, 2017, but before October 1, 2017 for the 2017-2018 award year the student may receive any subsequent disbursements of that Perkins Loan

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## Federal Update

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

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### Perkins Loan Program

- Graduate students
  - A graduate student is considered to be continuing or completing the program for which they received their most recent Perkins Loan only **if the first four digits of the program's (CIP) code are identical**
  - If different degree objectives, a graduate student meets the eligibility requirement if the graduate student:
    - Received their most recent Perkins Loan for enrollment in a program with one degree objective (e.g., masters);
    - Then enrolled in a program with the same CIP code (same first four digits of the CIP code); and
    - Was enrolled in a new program that leads to a different degree objective (e.g., Ph.D)

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### Perkins Loan Program

- Graduate students
  - 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




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### Perkins Loan Program

- New Disclosures provided before 1<sup>st</sup> Perkins Loan disbursement
  - A notice and explanation regarding the end to future availability of Perkins Loan Program loans
  - A notice and explanation that repayment and forgiveness benefits available to Direct Loan borrowers are not available to Perkins Loan borrowers
  - A notice and explanation regarding the borrower's option to consolidate a Perkins Loan into a Direct Consolidation Loan, including any benefit of consolidation

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### Perkins Loan Program

- New Disclosures provided before 1<sup>st</sup> Perkins Loan disbursement
  - For **current** undergraduate borrowers: a notice and explanation providing a comparison of the interest rates of Perkins Loans and Direct Loans, and stating that the borrower has been provided the maximum annual borrowing limit for Direct Subsidized Stafford Loans for which the borrower is eligible, or
  - For **new** undergraduate borrowers: a notice and explanation providing a comparison of the interest rates of Perkins Loans and Direct Loans, and stating that the borrower has been provided the maximum annual borrowing limit for Direct Subsidized and Unsubsidized Stafford Loans for which the borrower is eligible

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### Perkins Loan Program

- There are additional provisions of the Federal Perkins Loan Extension Act with regard to the disposition of schools' Perkins Loan Revolving Funds
  - Information on these and other important Perkins Loan Program issues will be provided over the next several months

Questions about GEN-16-05, or the extension of the Federal Perkins Loan Program, can be sent to Brian Smith at

[brian.smith@ed.gov](mailto:brian.smith@ed.gov) - (202) 502-7551


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### Cash Management



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### Overview of Regulations

October 30, 2015: Final regulations published

Require convenient access to aid	Prohibit fees uncommon in market	Require disclosures
Other updates to modernize	Most provisions effective July 1, 2016	Two provisions delayed until July 1, 2017

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### Debit Card Provisions: Who is covered?

Tier 1 (T1) Arrangement	Tier 2 (T2) Arrangement
<ul style="list-style-type: none"> <li>• U.S. school with third-party servicer; and</li> <li>• Servicer processes Title IV aid; and</li> <li>• Aid disbursed to contracted account or;</li> <li>• Information about contracted account is provided to student</li> </ul>	<ul style="list-style-type: none"> <li>• U.S. school that has a contract with provider; and</li> <li>• Provider is <u>not</u> a third-party servicer; and</li> <li>• One or more Title IV credit balance recipient; and</li> <li>• Product is marketed to students through school communication, student IDs, or cobranded cards</li> </ul>

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## Federal Update

### Overview of New Requirements

All T1 and T2	All T1	T2 (more than de minimis)
Student choice menu	ATM network	Fee-free ATM
No automatic opening of accounts	Fee restrictions	Contracts negotiated in best interest of students
Privacy restrictions	Contracts negotiated in best interest of students	Average student cost disclosure
Contract disclosure	Average student cost disclosure	

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### Student Choice – the Menu

- Menu of options required
- Tell student in writing that no specific account is required
- Menu options must be presented neutrally with no default option
- Existing bank account must be first and most prominent option
- Paper checks don't need to be listed, but can be at school's discretion

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### Student Choice – Menu Format

Model disclosure	Created by CFPB	Not yet available
Required by July 1, 2017	Publication in Federal Register	

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## Federal Update

Student Consent	
Problems	Requirements
<ul style="list-style-type: none"> <li>Private student information given to account provider without consent</li> <li>Provider used this information to open account or market to students, even if student never received Title IV funds</li> </ul>	<ul style="list-style-type: none"> <li>Student consent to open account required before PII can be shared</li> <li>Once shared, information can only be used for disbursement, not marketing</li> <li>Consent required before sending card to students, except for unlinked student ID</li> <li>Consent required before linking a student ID to financial account</li> <li>Required for all T1 and T2 arrangements</li> </ul>
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Fees	
Problems	Requirements
<ul style="list-style-type: none"> <li>Limited ATM access makes out-of-network fees common</li> <li>Point-of-sale fees of \$0.50 per transaction when using PIN (uncommon in market)</li> <li>\$25-\$35+ for each overdraft (if offered), with transaction re-ordering to maximize fees</li> </ul>	<ul style="list-style-type: none"> <li>Only T1 arrangements are subject to fee restrictions</li> <li>No fees charged to students for point-of-sale transactions or overdrafts are allowed</li> <li>School must provide national or regional ATM network that are fee-free for balance inquiries or withdrawals</li> <li>School must provide at least one convenient way for student to access Title IV credit balance</li> </ul>
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Disclosures	
Problems	Requirements
<ul style="list-style-type: none"> <li>Contracts are often private</li> <li>Students do not have sufficient information to assess cost of account</li> <li>Students receive poor account terms because schools do not negotiate on behalf of students</li> </ul>	<ul style="list-style-type: none"> <li>Required for all T1 and T2 arrangements</li> <li>School must post full contract (excluding security and IT information) to school website</li> <li>School must send up-to-date URL to Department</li> <li>Department will aggregate list of websites and publish list for public and government review</li> </ul>
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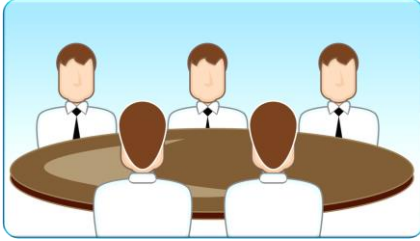
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## Federal Update

### T1 & T2 Arrangements (with sufficient credit balance recipients)



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### T2 De Minimis Threshold

Some regulatory provisions limited to T2 arrangements with a sufficient number of credit balance recipients.

The school must comply with the additional requirements if during the school's prior three award years, either:

Average of 500+ students have Title IV credit balance

OR

Average of 5%+ of students have Title IV credit balance

T1 arrangements do not have a *de minimis* threshold

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### Summary Cost Disclosures

- Required for accounts offered under T1 arrangements or T2 arrangements with more than a *de minimis* number of credit balance recipients
- Requirement begins on July 1, 2017**
- If the institution had 30 or more credit balance recipients in the prior award year, it must publish the following on the same website as contract disclosure:

The total consideration paid, monetary and non-monetary, by the parties under the contract during the past award year

Number of students with financial accounts under the contract at any time during the past award year

Mean and median annual costs to student account holders

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## Federal Update

### Best Interests of Students

- Future contracts, fees, and technological changes must occur without harming students
- Required for accounts offered under T1 arrangements or T2 arrangements with more than a *de minimis* number of credit balance recipients



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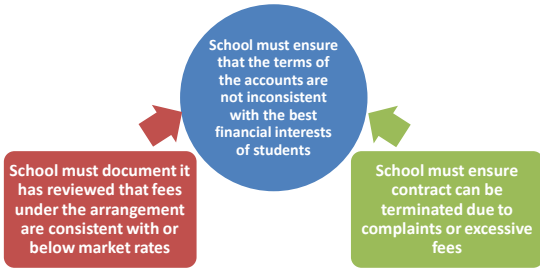
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### Best Interest of Students



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### Convenient ATM Access

- Surcharge-free ATMs must be present in sufficient number and must be housed and serviced such that Title IV funds are reasonably available to students
- Required for accounts offered under T1 arrangements or T2 arrangements with more than a *de minimis* number of credit balance recipients

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## Federal Update

### Other Cash Management Provisions

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### Risk of Loss

Schools may not engage in any practice that risks the loss of Federal funds

Refers primarily to sweeps

Includes funds held in a Title IV depository account or a school's operating account

Nothing prohibits a school from sweeping its own funds, but it must ensure that any Title IV funds are not part of the sweep

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### Reimbursement and Cash Monitoring

HCM1	Reimbursement/HCM2
<ul style="list-style-type: none"> <li>Must pay any credit balances due to the students for whom it intends to draw down funds</li> <li>May not obtain authorization to hold credit balance funds</li> </ul>	<ul style="list-style-type: none"> <li>Must pay any credit balances due to the students for whom it seeks reimbursement</li> <li>Must provide documentation as part of its request that the credit balances were paid</li> <li>May not obtain authorization to hold credit balance funds</li> </ul>

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## Federal Update

### Provisions for Books And Supplies

- Requirement to provide books and supplies by the 7<sup>th</sup> day of a payment period if TIV aid could have been given to the student 10 days prior to the beginning of the payment period and a TIV credit balance would have been created now applies to **any** Title IV recipient
- Previously applied only to Pell Grant recipients



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### Gainful Employment



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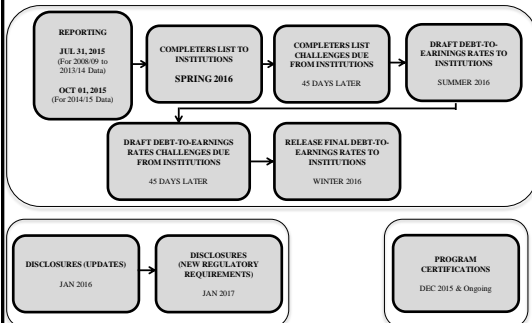
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### Important Dates



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## Federal Update

### GE Reporting

- Report all Title IV Students by July 31, 2015
- Report 2008–09 through 2013–14 award years
- Programs with Medical and Dental Residencies report 2007–08 through 2013–14 award years
- Report 2014–15 Award Year by October 1, 2015
- **Report 2015–16 Award Year by October 1, 2016**
- Title IV students only

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### Data Challenges and Appeals Solution

GE electronic announcement #64 – October 22, 2015

- **NEW Data Challenges and Appeals Solution (DCAS) system** will allow schools to submit challenges to data elements from the Draft GE Completers List and eventually to challenge information used to calculate the debt-to-earnings (D/E) rates
- Going forward, DCAS functionality will expand in phases to include all appeals, requests for adjustments and challenges related to institutional cohort default rates (CDRs)
- After DCAS is fully implemented, eCDR Appeals system will end
- Authorized users at your school will gain access to the new service via the SAIG Enrollment Web site
- *Stay tuned to IFAP for training opportunities, updated manuals and registration and system availability*

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### Data Challenges and Appeals Solution

GE Electronic Announcement #67 – October 26, 2015

- Primary Destination Point Administrator (Primary DPA) may now enroll authorized users in the DCAS Online Service via SAIG
- Attached to the EA is detailed instructions for the Primary DPA to complete the process
- A signature page will be required before access will be granted

GE Electronic Announcement #71 – December 11, 2015

- Overview of reviewing and correcting GE Completers Lists

**ANN-15-17 – Webinar Recordings – Interpreting GE Completer Lists & How to Submit A Challenge to GE Completer List**

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## Federal Update

**Disclosures Under New Final Rules**

- Transition from current disclosure requirements to requirements of the final regulations
- Consumer testing & focus groups
- Seek comments on new disclosure template
- Guidance and technical assistance
- Delay in effective date of new disclosure requirements until January 1, 2017 gives the Department time to conduct consumer testing and prepare new disclosure template

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**Certifications**

- School should periodically review its GE programs to make sure the Eligibility and Certification Approval Report (ECAR) is current
- Must certify that each GE program it offers:
  - Is approved by accrediting agency and State
  - Is programmatically accredited if that is required for that profession in the state
  - Qualifies graduates to meet licensing or certification exam requirements to work in the state, if any
  - Is not substantially similar to program offered by institution that, in prior 3 years, became ineligible under D/E rates measure or was failing, or in the zone, and voluntarily discontinued by institution

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**Certifications**

- Changes after transitional certification requirement met
- Institution adding or revising GE information on E-App that does not result in a new PPA must provide a new certification each time the E-App is updated
- Includes
  - Establishing or reestablishing the eligibility of a program
  - Discontinuing a program's eligibility
  - Ceasing to provide a program for 12 consecutive months
  - Losing program eligibility
  - Changing a program's CIP code, or credential level
- ED will monitor (on an ongoing basis) certifications for accuracy and completeness
- Certifications renewed when school recertifies PPA

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## Federal Update

### Certifications

- GE Electronic Announcement #54 – *Certification Requirements for Gainful Employment Programs*
- Reminds institutions of the requirement to provide ED with an accurate listing of their GE programs
- Provides instructions for institutions on the GE program certifications they must submit to ED
- Contains two enclosures
  - *Instructions for Providing Transitional Certification*
  - *Sample GE Transitional Certification*

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### GE Resources

- GE Information Page on IFAP
  - Federal Register Notices; DCLs; Electronic Announcements; FAQs; Webinars; Presentations; Resources  
<http://www.ifap.ed.gov/GainfulEmploymentInfo/indexV2.html>
  - NSLDS Gainful Employment User Guide
- send questions to [GE-Questions@ed.gov](mailto:GE-Questions@ed.gov)

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### Regulatory Activity



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## Federal Update

### TIV Loans Final Federal Register: 10/30/15

- Revised Pay As You Earn (REPAYE)
  - Extends 10% of income repayment cap to all borrowers regardless of when they borrowed
  - Repayment period = 20 years for undergraduate loans and 25 years if graduate loans included
  - PAYE still available; not a replacement plan
- Implemented on December 17, 2015

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### Negotiated Rulemaking – Borrower Defenses

Federal Register Notice – 10/20/15

- Proposed regulation discussion:
  - Procedures for a borrower to establish defense to repayment
  - Criteria the Department will use to identify acts/omissions of an institution that constitute defenses to repayment
  - Standards and procedures that ED will use to determine school liability for amounts based on borrower defenses
- Negotiations were held in Washington, D.C.
  - January, February, and March 2016
- Consensus was not reached
- Expect to publish proposed rules this summer
- Expect to publish final rules by November 1, 2016

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### Additional DCLs & Announcements



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## Federal Update

**Dear Colleague Letters****GEN-16-04** – Updated FSA Student Loan Ombudsman contact information

- Online – [www.studentaid.gov/repay-loans/disputes/prepare](http://www.studentaid.gov/repay-loans/disputes/prepare)
- Phone - 877-557-2575; fax - 606-396-4821
- Address - FSA Ombudsman Group  
P.O. Box 1843  
Monticello, KY 42633

**GEN-16-01** – Pell Payment & Disbursement Schedule

- Maximum Pell for 2016-2017 - **\$5,815**
- 2016-2017 minimum scheduled award is \$590
- Maximum Pell Grant eligible EFC for 2016-2017 will be 5234

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**Electronic Announcements****3/14/16** – Supporting Documents for Perkins Assignments

- Streamlined assignment process and documentation
- Includes chart categorized by loan status with three columns of acceptable supporting documentation requirements
  - (1) required documentation
  - (2) alternatives to required documentation
  - (3) extenuating circumstances documentation

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**Electronic Announcements****1/27/16** – PELL ACA Payments

- As of February 29, 2016, Pell Grant ACA payments for the 2015-2016 Award Year will now be posted in G5 as an Available Balance in the school's ACA G5 Award Number, beginning with P063Q
  - Once posted, a school will sign in to G5 and process a drawdown transaction in G5 to receive the funds
  - Prior Pell ACA payments were depositing directly into a school's bank account




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## Federal Update

### Electronic Announcements

#### 1/20/16 – Unusual Enrollment History Update

- Undergraduate and graduate aid now tracked separately for UEH monitoring
  - Began January 1, 2016
- Change is applied both to the new 2016-17 FAFSA cycle and to the ongoing 2015-16 FAFSA cycle
- This will prevent a student from being selected for UEH monitoring simply because of enrollment at other institutions prior to becoming a graduate student

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### Electronic Announcements

#### Coming Soon! – G5 Two Factor Authentication (2FA)

- G5 users will use a password AND input a code generated through Google Authenticator
- Google Authenticator is a free application that can be downloaded on registered mobile devices
- If no mobile device, can retrieve code through a phone call
- 2FA will be rolled out to G5 users in groups, starting in mid-April 2016 and ending in June 2016
- Users will get an email shortly before their account is switched over to 2FA
- Users encouraged to enter one phone number and provide two additional security answers on their G5 profile
- Questions - G5 Hotline at (888) 336-8930

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## Training



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## Federal Update

### The 2016 FSA Training Conference has been announced!

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

Georgia World  
Congress Center

Stay tuned for  
Registrations and  
Lodging Information!



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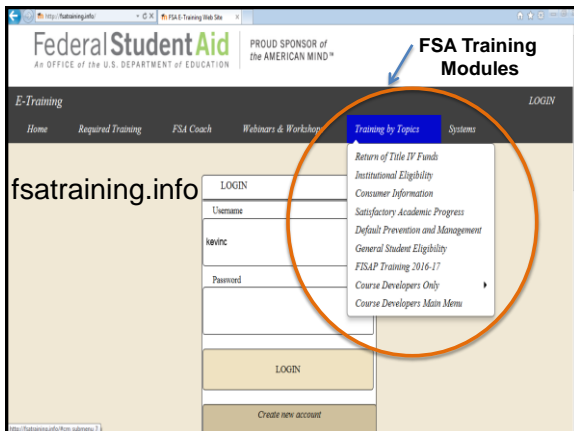
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### Intermediate FSA Coach



- 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 <http://fsatraining.info>

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## Federal Update

### Coming Soon: 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"



Will be available on <http://fsatraining.info>

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### Department of Education Contacts

#### Research and Customer Care Center

800.433.7327

[fsa.customer.support@ed.gov](mailto:fsa.customer.support@ed.gov)



#### Reach FSA

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

Campus Based Call Center

COD

CPS/SAIG

NSLDS

G5

eZ-Audit

School Eligibility Service Group

Foreign Schools Participation Division

Research and Customer Care Center

Netnet Total & Permanent Disability Team

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### Contacts

- Chicago/Denver School Participation Division
  - Main Number: 312-730-1511
  - Effie Barnett (IIS) 312-730-1587
  - George West (IIS) 312-730-1538
- Denver Training Officers
  - Deborah Tarpley 303-844-3683
  - Joseph Massman 303-844-0432
- Email – [firstname.lastname@ed.gov](mailto:firstname.lastname@ed.gov)



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## Federal Update

**We Need Your Help!**

**Please coordinate with the other Region 8 states when scheduling your annual conference!**

- Denver Training Officers cover CO, MT, ND, SD, UT, and WY (Region 8)
  - MT, ND, SD were all scheduled the same week this year!
  - All 6 states held their conferences within a 5-week period
- We expect there to be only 1 federal Training Officer for the region next year
- If there are overlapping conferences in the future, we may not be able to cover your event!

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**Speaking of Deb...**

- Do you have any fun Deb Tarpley stories to share?
- How about neat photos?
- Want to offer words of thanks? Well-wishes?
- We are putting together an album to celebrate Deb's career, and would like to share **your** story about how Deb impacted your life and career!
- Please send any stories, photos, well-wishes, etc. to Joseph Massman ([Joseph.Massman@ed.gov](mailto:Joseph.Massman@ed.gov)) and to John Gritts ([John.Gritts@ed.gov](mailto:John.Gritts@ed.gov)).
  - If you would like your submission to be anonymous, please let us know

**We want this to be a surprise,  
so please don't tell Deb!**

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**Training Feedback**

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

- Go to <https://www.surveymonkey.com/s/Massman>
- Evaluation form is specific to Joseph Massman
- This feedback tool will provide a means to educate and inform areas for improvement and support an effective process for "listening" to our customers
- Additional feedback about training can be directed to JoAnn.Borel@ed.gov; 409-579-3776

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## Federal Update

**Questions?**

Contact me with follow-up questions about this session:

Joseph Massman, Federal Training Officer  
[Joseph.Massman@ed.gov](mailto:Joseph.Massman@ed.gov); 303-844-0432



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