

Federal Update

Kim Wells | October 2016
U.S. Department of Education
IASFAA Conference

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Agenda

Early FAFSA Filing and Prior-Prior Year	Processing Update
Dear Colleague Letters/Electronic Announcements	Upcoming Training

Early FAFSA Filing and Prior-Prior Year



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2017-18 Application Changes

- Two major changes beginning with 2017-18 award year
 - ❖ Early FAFSA launch
 - Beginning with 2017-18 award year, FAFSA cycle will begin on October 1 instead of January 1
 - 2017-18 FAFSA available 10/01/16
 - Change is permanent
 - ❖ Prior-Prior year income
 - 2017-18 FAFSA will collect tax year 2015 income
 - IRS Data Retrieval Tool (DRT) available at time of launch

Other 2017-18 FAFSA Changes

- Will no longer print FAFSA as color packet
 - More than 99 percent of FAFSAs are filed electronically
 - PDF FAFSA available online to be printed
 - Call 1-800-4FEDAID to request copy
- Medicaid added as federal means-tested benefit

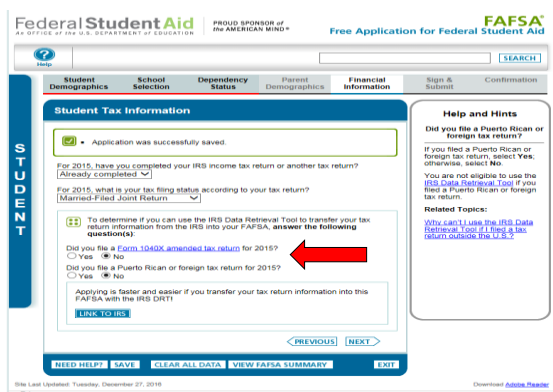
Processing Update

Processing Update



2017-18 IRS DRT Enhancements

- **Issue:** Filtering questions don't align with collection of prior-prior year tax information
- **Solution:** Filtering questions have been modified



2017-18 IRS DRT Enhancements

- **Issue:** Applicants who are eligible to use the IRS DRT are not using it
- **Solution:** Eligible applicants can only advance through FOTW if they use IRS DRT or actively opt out of using IRS DRT

Recent DCLs and Electronic Announcements



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GEN-16-19: 2017-18 Pell Grant Payment & Disbursement Schedules

- Maximum Pell = \$5,920
- Increase of \$105 from 2016-17 award year
- Maximum Pell Grant eligible EFC = 5328
- Minimum scheduled award = \$596



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GEN-16-18: Revision of Income- Drive Repayment Plan Request Form

- Questions for married borrowers revised to allow individuals who most recently filed joint federal income tax return with spouse to indicate separated from spouse and cannot reasonably access spouse's income information
 - If married borrower indicates this, borrower is required to provide alternative documentation of his or her individual income, which will be used to calculate IDR plan monthly payment amount

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GEN-16-18: Revision of Income-Drive Repayment Plan Request Form

- Borrowers who wish to change from IBR to different income-driven repayment plan
 - Section 6 revised to incorporate an automatic request for one-month reduced-payment forbearance in amount of borrower’s current monthly IBR payment or \$5, whichever is greater (unless the borrower requests a different amount or declines the reduced-payment forbearance)

GEN-16-18

- Use of revised IDR request form by married FFEL borrowers
 - Requires all married borrowers who filed separate income tax returns to provide documentation of spouse’s income
 - Will accommodate where borrower is ineligible for initial IDR plan but is eligible for REPAYE plan, where spouse’s income is included in calculation regardless of tax filing status
 - If married FFEL borrower who files separate return from spouse does not comply, FFEL lender/servicer may not require that documentation
 - Spousal income information required for IBR plan only if married borrower files joint tax return

GEN-16-18

- Implementation/Transition
 - FFEL participants may begin distributing immediately
 - Beginning 01/01/17, only revised form may be provided to borrowers
 - ED-held loans with federal servicers
 - Implementation 10/30/16
 - Previous version will be accepted and processed through 01/31/17

GEN-16-17: Campus Policing

- Guidance on Campus Policing, Clery Act Disclosures and Related Civil Rights Obligations
 - Highlights legal responsibilities schools have to address issues
 - Shares resources to help schools meet obligations
 - Provides links to
 - President’s Task Force on 21st Century Policing
 - Updated Handbook for Campus Safety and Security Reporting

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GEN-16-16: Institutional Reporting of Fee Information

- Provides guidance about complying with new provisions requiring schools to publicly disclose information about costs incurred by students who elect to use a financial account offered under a T1 or T2 arrangement

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GEN-16-16: Institutional Reporting of Fee Information

- Posting accountholder and fee data
 - Beginning 09/01/17 school must provide fee information on same web page where financial account provider’s full contract is disclosed

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GEN-16-16: Institutional Reporting of Fee Information

- School must disclose
 - Total consideration paid or received by parties under contract
 - For any year in which enrolled students open 30 or more accounts
 - Number of students with financial accounts under contract at any time during most recently completed award year
 - Mean and median costs incurred by those student accountholders (options provided for calculating cost disclosure information)

GEN-16-15: 3rd Party Servicer Q & As

- Over 20 Q&As on 3rd party servicers
 - Key definitions, including chart with examples of functions and services that are/are not considered 3rd party servicing
 - Servicers cannot be located outside U.S. or owned by non-U.S. citizens/nationals or permanent residents
 - What constitutes working on behalf of a school
 - Compensation not required to be considered 3rd party servicer

GEN-16-15: 3rd Party Servicer Q & As

- Over 20 Q&As on 3rd party servicers
 - Written contracts between school and 3rd party servicers required
 - 3rd party servicer contract requirements and restrictions
 - Notification requirements to ED
 - Data protection requirements (PII)
 - 3rd party servicer audit and audit letter requirements and timeframes

GEN-16-12 & 15-18: Protecting Student Information

- Reminds schools and 3rd party servicers of obligations to
 - protect data used in all aspects of administering Title IV aid
 - ensure all FSA applicant information is protected from unauthorized access/disclosure according to state and federal laws including Gramm-Leach-Bliley Act (GLBA)
- Provides list of industry standards and best practices

GEN-16-12 & 15-18: Protecting Student Information

- SAIG Agreement includes provision in event of unauthorized disclosure or actual or suspected breach of applicant information or sensitive information (PII), school must immediately notify FSA at CPSSAIG@ed.gov

Electronic Announcements

- 10/20/16 – GE Electronic Announcement #93
 - Draft GE D/E Rates & Viewer Tool Available
 - Draft rates sent to SAIG mailbox 10/19
 - 45-day challenge period begins when challenge process available on NSLDS
 - Documentation for challenges to draft D/E rates posted on GE page
 - Webinar: Reading your draft GE D/E rates – 10/25
 - Webinar: Submitting draft GE D/E challenges – 10/27

Electronic Announcements

- 10/13/16 – FAFSA outreach – countering myths of financial aid
 - ❖ Studentaid.gov/FAFSAmyths
- 10/13/16 – Reprocessing of 2017-18 ISIRs with comment code 399
 - ❖ SAR comment code 399 applied with no discernable difference in 2015 income reported for both years
 - ❖ Determined due to CPS' comparison of EFC between 2016-17 and 2017-18 and affected students whose 2017-18 record required calculation of secondary EFC and cross-year editing

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Electronic Announcements

- 10/07/16 – GE Electronic Announcement #91: Upcoming release of SSA earnings data
- 10/06/16 – Program Integrity Q&A Update
- 10/05/16 – Important information for colleges and counselors regarding supporting ITT students
- 10/04/16 – Reminder to schools to encourage use of IRS DRT
- 10/03/16 – Availability of Cash Management Page on IFAP

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Electronic Announcements

- 09/30/16 – FSA Training Conference Update #2
- 09/26/16 -- Official 3-year CDRs distributed
- 09/23/16 – Updated NSLDS GE User Guide
- 09/13/16 – FAFSA Resources
- 09/09/16 – FAFSA on the Web Preview Presentation

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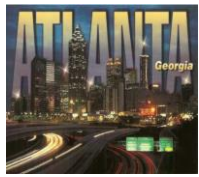


Electronic Announcements

- 07/19/16 – G-845 submissions
 - Must be submitted to L.A. field office
 - Exception for battered immigrant-qualified aliens with a status under VAWA
 - Still send to Buffalo field office
- 07/01/16 – Online Feedback System launched

Upcoming Training

- 2016 FSA Training Conference
- November 29 – December 2
- Georgia World Congress Center – Atlanta, GA



Quick Takes Videos

- FSA-related topics that can be completed in about 15 minutes
- Several topics now available
 - ❖ Finding Federal training resources
 - ❖ Conflicting information
 - ❖ Paper secondary confirmation
 - ❖ Professional judgment
 - ❖ Basics in FSA Parts I, II and III



Available now on fsatraining.info

Questions



ED Contacts

Research and Customer Care Center

800.433.7327
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 Services Group
CPS/SAIG	Foreign Schools Participation Division
NSLDS	Research and Customer Care Center
G5	Nelnet Total & Permanent Disability

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Training Feedback

To improve our training, we ask all participants to complete an online session evaluation

- Go to <https://www.surveymonkey.com/r/KimberlyWells>
- Additional feedback about training can be directed to joann.borel@ed.gov



Thank You

