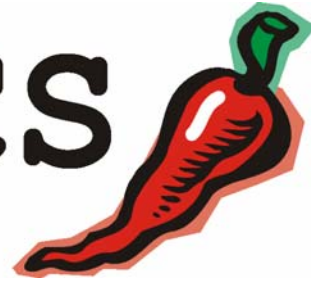


# hot TOPICS



IPD Financial Aid News

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## Final Rule Highlights

Starting in late October, the Department of Education began publishing the final regulations, which will be effective July 1, 2000. Here are a few highlights from those rules:

### Cohort Default Rate

- ◆ Where an institution suspends its participation in the Title IV, HEA programs voluntarily, pending appeal of Department of Education termination due to a high default rate, the suspension may be lifted 45 days after the institution submits its completed appeal.
- ◆ Schools with excessive default rates may continue to participate in the Pell Grant program, provided those schools have not certified any FFEL loans or originated any Direct Loans after July 7, 1998.
- ◆ The 1998 Amendments changed the definition of a default on an FFEL or a Direct Loan Program loan from 180 days to 270 days past due for a loan that is repayable in monthly installments, and from 240 days to 330 days past due for a loan that is repayable in less frequent installments.

### Consumerism

- ◆ Institutions must provide students with a listing of information that is available for their review. This listing of available information should be sufficient to allow students and others to understand the nature of the information and to make informed decisions about whether to request the information.
- ◆ Institutions must disclose its refund policies, i.e., the State, accrediting agency, and institutional refund policies, as well as the Department of Education refund policy.
- ◆ Institutions must disclose to students the procedures for official withdrawal, as well as the requirements for withdrawal.
- ◆ The definition of professional counselor in Sec. 668.46(a) has been changed to refer to mental health counseling and to exclude the requirement that a professional counselor be an employee of the institution.
- ◆ The annual disclosure of crime statistics need only provide a general description of the process for preparing the report, including the offices surveyed. There is no requirement to disclose every detailed step in the report's preparation.
- ◆ Sec. 668.46(c)(2) is revised to require an institution to record crime data based on when the crime was reported to a campus security authority.
- ◆ An institution must make a reasonable, good faith effort to obtain hate crime statistics from outside agencies. An institution that makes such an effort is not responsible for the agencies' failure to provide the statistics or for verifying the accuracy of statistics the agencies provide.
- ◆ Sec. 668.46(c)(7) requires an institution to use UCR guidance when defining and classifying crimes.

## Final Rule Highlights, continued

- ◆ An institution may only withhold information concerning the nature, date, time, and general location of a crime committed on its campus in instances when it is sufficiently clear that the victim's confidentiality is in jeopardy.

### FFEL Final Rule

- ◆ Schools must specifically request subsequent disbursements from lenders when the schools return the first disbursement.
- ◆ The removal of the 6-month retroactive effective date limit is restricted to in-school deferments.

### Institutional Eligibility

- ◆ Institutions must make a good faith effort to distribute mail voter registration forms to its students, and the Secretary is prohibited from instructing institutions in the manner in which this provision is to be carried out.

### Pell Grant

- ◆ Certain students enrolled in postbaccalaureate teacher certification programs are now eligible for Pell Grants.
- ◆ The regulations have been revised to clarify that the definition of disbursement in Sec. 668.164(a) will continue to apply to the FWS Program, Federal Perkins Loan, Federal Work–Study, and Federal Supplemental Educational Opportunity Grant Programs.
- ◆ The regulations will allow an institution, in packaging campus-based aid, to exclude as a resource any portion of a subsidized Stafford Loan or Direct Subsidized Loan that is equal to or less than the amount of the student's Montgomery GI Bill—active duty veterans education benefits and/or Americorps education awards or post-service benefits paid for the cost of attendance.
- ◆ The regulations have been revised and a new Sec. 675.16(a)(9) added to reflect that if a student cancels the written authorization to hold excess FWS funds, the institution must pay those funds to the student as soon as possible, but no later than 14 days after the institution receives that cancellation notice.

### Refunds

- ◆ The Department will provide worksheets, software, and examples to help institutions calculate refunds when a student withdraws.
- ◆ Institutions that wish to implement some of the refund provisions prior to July 1, 2000, must implement all refund provisions at that same time.
- ◆ References to "late disbursements" have been changed to "post-withdrawal disbursements," where appropriate.
- ◆ If an institution does not have permission from the student (or parent, for a PLUS loan) prior to the student's withdrawal and does not obtain that permission after the student's withdrawal, the undisbursed earned funds must be offered to the student and cannot be used by the institution to pay remaining institutional charges other than for tuition, fees, and room and board (if the student contracts with the institution).
- ◆ Section 668.22(a)(4)(i)(A) has been amended to permit an institution to credit a student's account to pay minor prior year charges in accordance with Sec. 668.164(d)(2)(ii).
- ◆ Sec. 668.22(c)(1)(ii) has been changed to make clear that a student has provided official notification to the institution of his or her intent to withdraw if the student indicates an intent in writing or orally.



## Final Rule Highlights, continued

- ◆ Section 484B(c)(1)(iii) of the HEA provides that the withdrawal date for a student who does not begin the institution's withdrawal process or otherwise provide official notification to the institution of his or her intent to withdraw is the midpoint of the period for which assistance was disbursed. However, these regulations provide that an institution may always use an earlier or later last date of attendance at an academically related activity as the student's withdrawal date.
- ◆ Section 668.22(d)(1) has been changed to provide that a leave of absence is not an approved leave of absence for purposes of the Title IV, HEA programs unless the institution explains at or prior to granting the leave of absence the effects that the student's failure to return from an approved leave of absence may have on the student loan repayment terms, including the exhaustion of some or all of the student's grace period.
- ◆ When a student owes a grant overpayment and there are funds available on the student's account as a credit balance, the institution would be expected to use those funds to apply toward repaying the student's grant overpayment.

### Student Eligibility

- ◆ Section 668.40(a)(2) is changed to reflect that a determination or adjudication arising out of a juvenile proceeding is not a conviction for purposes of this regulation.
- ◆ The FAFSA will be used to collect information on student drug convictions.
- ◆ Institutions will not be held liable for disbursing funds to a student who is ineligible because of drug convictions if the institution is unaware at the time of disbursement that the student is ineligible.
- ◆ Students can self-certify their eligibility and the renewal of their eligibility during a payment period, via the FAFSA or SAR.



## New Partner Institutions

### **Benedictine University, Lisle, Illinois**

IPD welcomes new partner Benedictine University, which is located in Lisle, Illinois. Benedictine University was founded in 1887 as St. Procopius College on the west side of Chicago by the Benedictine Monks of St. Procopius Abbey. Benedictine, an accredited liberal arts university, currently offers 38 undergraduate majors and 10 graduate degree programs, as well as a doctoral program.

In literature describing their new adult program, Benedictine describes itself as follows:

*"Benedictine University dedicates itself to the education of undergraduate and graduate students from diverse ethnic, racial and religious backgrounds. As an academic community committed to liberal arts and professional education, distinguished and guided by its Roman Catholic tradition and Benedictine heritage, the University prepares its students for a lifetime as active, informed and responsible citizens and leaders in the world community."*

Benedictine's new adult program-Center for Adult Programs and Services (CAPS)-got off to a rapid start. The first group began in September of 1999. They expect to report 59 students enrolled in the Associate's program at the end of February. Congratulations!

## New Partner Institutions, continued

### Gwynedd-Mercy College, Philadelphia, Pennsylvania

IPD welcomes our newest partner—Gwynedd-Mercy College! This Philadelphia school was founded in 1948 by The Sisters of Mercy. Gwynedd-Mercy currently offers Associate's, Bachelor's, and Master's degree programs. Gwynedd-Mercy's commitment to education is evidenced in its mission statement:

*"The mission of Gwynedd-Mercy College is to educate the whole person so that each student is prepared for a career, literate in the liberal arts and sciences, aware of the need for service to society, and guided by the ethical and moral values inherent in the Judeo-Christian tradition, especially as this tradition is given expression through the Catholic faith."*

The Center for Lifelong Learning will be offering an Associate of Science in Business Administration, a Bachelor of Science in Nursing, and a Bachelor of Science in Business Administration. IPD expects the Gwynedd-Mercy/IPD partnership to create a strong and successful presence in the Philadelphia area.

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## Goings On

- ◆ IPD will be hosting its **Spring Financial Aid Training** session from March 15–16, 2000.
- ◆ We have dates for the **IPD Annual Financial Aid Conference!** It's scheduled for June 14–16, 2000. Our theme is "Quality." Fortunately, our conference will coincide with the CAAHE conference, which will allow IPD to have crossover sessions with CAAHE. Remember, the last day to sign up for the conference is February 18.
- ◆ The Department of Education will be hosting **Reauthorization Workshops** throughout the country in the Spring. These workshops will provide useful information for implementing the Reauthorization provisions. Find out if there is a workshop near you by accessing <http://www.ifap.ed.gov> and clicking on "Training Information."

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## December Teleconference

The Reauthorization was the main topic of discussion during the December 8 teleconference. Adrienne Jones covered highlights from the Reauthorization Videoconference, which was hosted by the Department of Education on December 2.

Teleconference participants were also encouraged to ensure that their institutions tested their computer systems for Y2K compliance before December 17 to avoid punitive damage assessments in a Y2K-related lawsuit.

Kristen Vedder announced that the IPD Spring Financial Aid Training session would be conducted from March 15–16, 2000. She also announced that the IPD Financial Aid Conference would take place from June 14–16, 2000. Teleconference participants were advised to expect registration forms in the coming months.

## December Teleconference, continued

In an effort to assist partner institutions that are having difficulty with the creation of institutional policies that incorporate the Reauthorization changes, teleconference participants were encouraged to post their new policies on the Financial Aid Global Distribution List as they are completed.

The Spring teleconference is scheduled for February 23, 2000, from 7:30 to 9:00 a.m. (Mountain Standard Time). Those wishing to participate should dial **(480) 929-7482, code 1999**. Please note the change in the teleconference code. Remember that participants should dial in no earlier than 7:20 a.m. (Mountain Standard Time) to avoid difficulty accessing the conference.

## Teleconference

Don't miss the opportunity to discuss current issues with your peers. If you have not been able to join a previous teleconference, instructions are included below for your convenience.

**Next Teleconference Date:** Wednesday, February 23, 2000  
**Time:** 7:30–9:00 AM, Mountain Standard Time  
**Bridge Number & Code:** **480-929-7482/ Code #1999**



Please carefully follow the recorded instructions at each prompt when dialing into the Teleconference Bridge.

- ◆ There is a 10-minute window prior to beginning the teleconference when callers can enter with the assigned code number. If you call before the 10-minute window, you may not be connected to the teleconference.
- ◆ If you experience any difficulty connecting with the teleconference phone number/code you have been assigned, please dial the Corporate Operator's phone number (480-966-5394) and ask to be transferred to the Teleconference Bridge, ext. 1025.
- ◆ If you need to step away from the teleconference for a moment, please do not place your phone on hold. Instead, place your phone on mute or simply hang up and dial in again.



## This Page Is For You

### News from Cornerstone University

Geoff Marsh is the new Director of the Student Financial Services office. Cornerstone expects to start its first Master's program in the spring with a Master's degree in Management. An MBA is also in development.

### People On The Move

- ◆ Congratulations to Pam Harris at Averett College. Pam was recently promoted to Financial Aid Manager for GPS Programs.
- ◆ Also, congratulations to Lori Sauer at Ohio Dominican College. Lori was recently promoted to Assistant Director of Financial Aid.

## This Page Is For You, continued

### Name Change for William Penn

William Penn has a brand-new name for this brand-new century! They are now known as William Penn **University**. "This moniker more adequately defines our mission on a global basis," said Dr. Thomas F. Boyd, President of William Penn. "We are a diverse multi-campus institution. This change comes at a time when we are experiencing dramatic growth in enrollment and financial support." Congratulations!

### Technology Services

BAJAP Services specializes in financial aid system modifications. They pride themselves on their ability to customize an institution's current financial aid process to suit the financial aid office's needs. To find out whether BAJAP can help your school, contact James McGail, President, at 1-877-BAJAP-01.

### A Note From The Editor

Do you have information about job openings or upcoming events at your institution that you'd like to share with the other IPD institutions? Just email the information (including the name of the event or job opening, any relevant dates, and a name, telephone number, or email address of a contact person) to Adrienne Jones by February 28, 2000, at [adrienne.jones@apollogrp.edu](mailto:adrienne.jones@apollogrp.edu) so that your information will be included in the next newsletter.



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