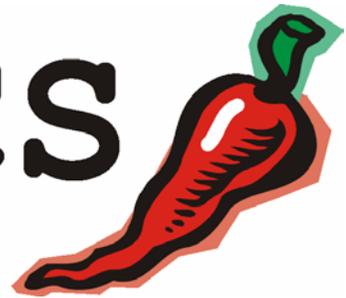


hot TOPICS



IPD Financial Aid News

Volume 6, Issue 4

October 2004



Table of Contents

Table of Contents	1
2004–2005 Federal Student Aid Handbook Now on the Web	1
Wording Concerning Program Transfers Revised	2
Department of Education Provides Guidance.....	2
2004–2005 FSA Handbook Errata and Updates Published.....	4
NASFAA Policies and Procedures Tools Updated	4
ED Computer Hardware Requirements Developed	5
Texas Guaranteed Student Loan Corporation Offers Resource	6
Approved Leave of Absence Defined	6
2005 IPD Financial Aid Conference Set for April	7
Financial Aid Global Distribution List.....	7
Goings On.....	7
Editorial Staff.....	7

(Please note: you can click on the Table of Contents items to get to any article quickly.)

2004–2005 Federal Student Aid Handbook Now on the Web

The entire 2004–2005 Federal Student Aid (FSA) Handbook has now been posted to the Information for Financial Aid Professionals (IFAP) Web site, and all remaining volumes are being printed and mailed to you. Many of you may have noticed that the Department of Education did some reorganizing of the material in the new handbook. To help you with this transition, ED will be posting several explanatory documents to the 2004–2005 FSA Handbook Web page on IFAP. The "crosswalk," which is a cross-reference between the old handbook chapters and the new ones, has already been posted. You can use this as a reference when looking for information in the 2004–2005 FSA Handbook.

Please click on the link below to view the "crosswalk."

<http://www.ifap.ed.gov/eannouncements/attachments/1006HandbookCrosswalk.pdf>



Wording Concerning Program Transfers Revised

For students who remain in continuous enrollment at an institution but change their declared academic goal (e.g., change programs or change majors), there is not always a clear distinction between withdrawing from a program or major without withdrawing from the institution and withdrawing from the institution and then reentering the institution in a new program. A school has an option in how it manages program transfers within the institution.

A school might treat the student as one who withdraws and reenters. If so, the school must administratively withdraw the student from the institution, perform a return calculation, reenroll the student in the new program, and start the student at the beginning of a new payment period for his/her enrollment in the new program. Or, a school might treat the student as one who is merely changing programs without withdrawing from the institution. Under this option, no withdrawal takes place, no return calculation is performed, and the student continues in the same payment period he/she started in with his original program.

This second approach might be more appropriate when there is no break (or a minimal one) in attendance, the periods are substantially the same in length, and there is little or no change in the charges to the student. If a student for whom this approach is taken later withdraws from the institution, the start and end dates used in Step 2 of the return calculation will be the start of the first program and the end of the second. The charges used in Step 5 will be the total charged the student for the two programs (2004–2005 FSA Handbook pp. 5–39, 40).



Department of Education Provides Guidance on Student Loan Data System Conflict Resolution

Steps of the Data Resolution Process

1. The Financial Aid Administrator (FAA) reports the conflicting data to the National Student Loan Data System (NSLDS) Call Center.
2. The Call Center assigns an NSLDS tracking number to the student issue.
3. The FAA collects **acceptable documentation***, includes the NSLDS tracking number on each document, and submits the documentation to the Call Center by e-mail or fax.
4. The Call Center researches the issue using the documentation provided.
5. The Call Center negotiates with the appropriate data provider(s) to correct the data.
6. The Call Center notifies the student and the FAA or data provider of the resolution.

***Acceptable documentation** includes the following:

- ◆ Social Security Number—A copy of one of the following is necessary to correct the Social Security Number in NSLDS:
 - Social Security Card
 - Current Driver's License
 - W-2 Form
 - Payroll Check or Check Stub
 - Current U.S. Military ID
 - State ID

- ◆ Date of Birth—A copy of one of the following is necessary to correct the date of birth in NSLDS:
 - Birth Certificate
 - Current Driver's License
 - Passport
 - Current Military ID
 - State ID
 - Alien Registration Card

 - ◆ First Name (except for Direct Loan name change)—A copy of one of the following showing the complete first name is necessary to correct the first name in NSLDS:
 - Social Security Card
 - Current Driver's License
 - Birth Certificate (showing birth name)
 - Certificate of Naturalization
 - Court Order
 - Marriage Certificate
 - Divorce Decree
 - W-2 Form
 - Passport
 - Current U.S. Military ID
 - State ID
 - Military Discharge Papers
 - Certificate of Citizenship
 - Alien Registration Card
 - Adoption Paperwork
- 
- ◆ Direct Loan Name Change—A copy of one of the following is necessary (others listed above are not sufficient):
 - Birth Certificate (showing birth name)
 - Any Court Decree Proving Name Change
 - Certificate of Naturalization (showing birth name)

 - ◆ Incorrect Status or Amount
 - Letter from loan and/or overpayment holder
 - Promissory note indicating paid in full

 - ◆ Duplicate Loan Records—The following data elements must be provided for both the loan the FAA/data provider wishes to nullify and the loan to keep:
 - Loan Type
 - Loan Date
 - Loan Amount
 - OPEID on the Loan
 - Separate Loan Indicator

NSLDS Call Center Referrals

- ◆ Used **only** by FAAs and data providers
- ◆ Phone: 1-800-999-8219
- ◆ Fax: 785-838-2154
- ◆ E-mail: nslds@Pearson.com
- ◆ Web site: www.nsldsfap.ed.gov

Student Referrals

- ◆ Students should not be referred to the NSLDS Call Center.
- ◆ Students should access NSLDS via the NSLDS Web site for students (www.nsls.ed.gov).
- ◆ Student must have a valid PIN.

What is/is not NSLDS Conflict?

The following **are** considered NSLDS conflicts and are addressed by the NSLDS Call Center:

- ◆ Incorrect Amounts
- ◆ Incorrect First Names, Dates of Birth, or Social Security Numbers
- ◆ Incorrect Statuses
- ◆ Duplicated Records



The following **are not** considered NSLDS conflicts and are not addressed by the Call Center:

- ◆ Incorrect middle or last names
- ◆ Loan statuses that have recently changed
- ◆ Loan statuses that do not affect eligibility
- ◆ Incorrect history data that do not affect eligibility
- ◆ Current year Federal Pell Grant issues
- ◆ Aggregate loan limit determinations for consolidation loans

2004–2005 FSA Handbook Errata and Updates Published

The Department of Education has published the Errata and Updates for the 2004–2005 Federal Student Aid (FSA) Handbook. These are items that were amended after the initial PDF files were posted to the Web.

Click on the following link to view all errata and updates:

<http://ifap.ed.gov/sfahandbooks/0405fsahbErrata.html>

NASFAA Policies and Procedures Tools Updated



The updated *NASFAA Policies & Procedures Tools* is now available for members of the National Association of Student Financial Aid Administrators (NASFAA). It shows you how to create and maintain a policies and procedures manual and includes the following:

- ◆ **Templates** (a full version and a shell version)—to provide you with an outline of areas where policies and procedures are necessary
- ◆ **Regulatory Resources Guide**—to help you decide what explicitly and implicitly constitutes required policies and procedures
- ◆ **Tools for Formulating, Implementing, and Evaluating Policies and Procedures**, including flowcharts and decision-making guides
- ◆ **Tips for Formatting a Policies and Procedures Manual**, including examples and methods for tracking changes

- ◆ **A Sample Policies and Procedures Manual**
- ◆ **Guidance for Reading and Interpreting Regulation and Statute**—to give you advice on how to navigate the laws and regulations in Title IV programs

The *NASFAA Policies & Procedures Tools* can be found by clicking on the following link:
<http://www.nasfaa.org/ppmanual.asp>

Please note that access to this Web site requires a Web site ID and password.



ED Computer Hardware Requirements Developed

Below is a chart of the system configurations that an institution must have, beginning with the 2005–2006 award year, in order to participate in the electronic processes set forth by the Department of Education (ED).

System Configurations

	<u>Minimum Configuration</u>	<u>Optimal Configuration</u>
IBM or fully IBM-compatible PC	<ul style="list-style-type: none"> ◆ 1.2 GHz Processor ◆ 512 MB RAM ◆ 60 GB Hard Drive ◆ 48x CD-ROM Drive (CD-RW recommended) ◆ Windows compatible keyboard and mouse 	<ul style="list-style-type: none"> ◆ 2.8 GHz/333 MHz Processor ◆ 1 GB RAM ◆ 80 GB Hard Drive ◆ 48x CD-ROM Drive (CD-RW recommended) ◆ Windows compatible keyboard and mouse
Monitor and Video Card	Capable of Super Video Graphics Adapter (SVGA) resolution (800 x 600) or higher	Capable of Super Video Graphics Adapter (SVGA) resolution (800 x 600) or higher
Internet Connection	56 Kbps Modem (meets or is upgradeable to V.90 standard)	High-speed Internet connection (e.g., DSL)
Printer	Laser printer capable of printing on standard paper (8.5" x 11")	Laser printer capable of printing on standard paper (8.5" x 11")
Operating System	Windows 2000 or Windows XP Professional recommended (FSA will support Windows 98/98SE/ME only until June 30, 2006)	Windows 2000 or Windows XP Professional recommended (FSA will support Windows 98/98SE/ME only until June 30, 2006)

The entire Federal Register can be found by clicking on the following link:
<http://www.ifap.ed.gov/IFAPWebApp/currentFRegistersYearPag.jsp?p1=2004>

Texas Guaranteed Student Loan Corporation Offers Resource

In light of the guidance published in the 2004–2005 Federal Student Aid (FSA) Handbook regarding the level of knowledge the Department of Education expects Financial Aid Administrators (FAA)s to have about a FAFSA applicant's tax-filing status, Texas Guaranteed (TG) has developed a reference to help FAAs deal with conflicting information. It provides the following:

- ◆ Information about who must file a tax return
- ◆ 2003 filing requirements for most taxpayers
- ◆ 2003 filing requirements for dependents
- ◆ Tax exemptions

http://www.tgslc.org/resources/irs_resources.cfm



Approved Leave of Absence Defined

A leave of absence (LOA) is a temporary break in a student's attendance, and therefore must meet certain conditions in order to be counted as an interruption in a student's education. If the conditions are not met, the student is considered to have withdrawn from school, and a return calculation must be performed. In order for a LOA to qualify as an approved LOA, the following requirements must be met:¹

- ◆ The institution must have a reasonable expectation that the student will return from the LOA.
- ◆ Upon return, the student must be permitted to complete the coursework he/she began prior to the LOA (except for clock hour or nonterm credit hour programs).
- ◆ The institution may not assess the student any additional charges; the student's need may not increase; and the student is not eligible for any additional federal student aid.
- ◆ The institution must have a formal LOA policy, requiring all requests be submitted in writing and include a reason for the request.
- ◆ The student must follow the policy in requesting an LOA.
- ◆ The institution must approve the request according to its policy.
- ◆ The number of days in the approved LOA, when combined with the number of days in all other approved LOAs, may not exceed 180 days in a 12-month period.
- ◆ If the student received Title IV Higher Education Act loans, the institution must explain to the student, prior to granting the LOA, the effects that the student's failure to return from the LOA may have on the student's loan repayment terms.

On November 1, 2002, the Department of Education made the following changes to LOA requirements:

- ◆ Multiple LOAs will be allowed at the discretion of the institution.
- ◆ An institution's LOA policy must require the student to submit a written request specifying the reason for the LOA.
- ◆ For clock hour or credit hour nonterm programs, it is no longer required that the student, upon his/her return for a LOA, be required to complete the exact same coursework he/she had begun prior to the leave.²

When a student is on an approved LOA, there must be reasonable expectation that the student will return from the LOA. At an institution not required to take attendance, if a student does not return to the school at the expiration of an approved LOA (or a student takes an unapproved leave of absence), the student's withdrawal date is the date the student began the LOA (2004–2005 Federal Student Aid Handbook pp. 5–22). An institution's policy must require a student to apply in advance for a LOA unless unforeseen circumstances prevent the student from doing so. For example, if a student were injured in a car accident and needed a few weeks to recover before returning to school, the student would not have been able to

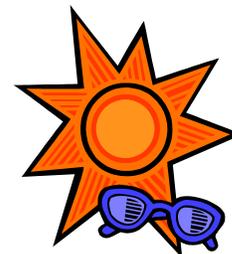
¹ 2003–04 FSA Handbook pp. 2–129

² Ibid, pp. 2–128

request the LOA in advance. A school may grant a LOA to a student who did not provide the request prior to the LOA due to unforeseen circumstances if the school documents the reason for its decision and collects the request from the student at a later date (2004–2005 FSA Handbook pp. 5–21).

2005 IPD Financial Aid Conference Set for April

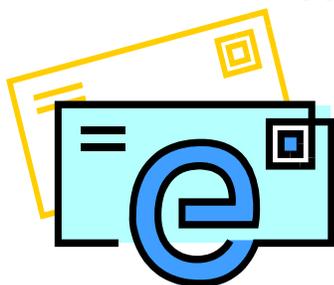
Mark your calendar for the 2005 IPD Financial Aid Conference. The conference is planned for April 11 and 12 in Phoenix. So, get ready to "soak up" some sun as well as all the valuable regulatory information and the sharing of best practices. We are also looking for session proposals from all of you. Please e-mail your proposals to [Kristen Vedder](mailto:Kristen.Vedder@apollogrp.edu) prior to December 1, 2004. Remember, this conference is for you!



You can now register online at http://www.ipd.org/events/2005_fa_conference/. The registration deadline is March 18, 2005.

See you there!

Financial Aid Global Distribution List



The Financial Aid Global Distribution List (including only CAAHE members) is available to allow you to consult with one another about the common problems you face and solutions you have found that have provided positive results. To use the listserv, open a regular e-mail and type ipdfinaid@apollogrp.edu in the "To" section of the message. When the e-mail is sent, it will go to all the members of the list. Clicking "Reply To All" in response to the e-mail will send the response to all members of the list. Thanks to all who have been using this list and to those providing timely responses to requests.

Goings On

Do you have information about job openings or upcoming events at your institution that you would like to share with other IPD Partner Institutions? Just e-mail the information (including the name of the event or job opening; any relevant dates; and a name, telephone number, or e-mail address of a contact person) by December 1, 2004, to kristen.vedder@apollogrp.edu so that your information will be included in the next newsletter.



Editorial Staff

Kristen Vedder, Assistant Regional Vice President/Western Region
Kerri Gilbert, Assistant Editor/Design Layout
Dawn Davison and Kristen Vedder Contributors

The *Hot Topics* Financial Aid Newsletter is produced and distributed by the Institute for Professional Development (IPD), a higher education development and management corporation that assists private colleges and universities in developing unique adult-oriented degree programs. IPD is a member of the Consortium for the Advancement of Adult Higher Education (CAAHESM).