

Federal Update

**Federal Update
2018**



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Dallas Regional Office
October 2018

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Regulatory Update



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Initial Focus of Regulatory Efforts

- Elimination of outdated guidance
- Borrower defense to repayment (BDTR)
 - Financial responsibility
 - Guaranty agency authority to charge collection costs
- Gainful Employment



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Elimination of Outdated Guidance

- Identified 398 outdated Dear Colleague Letters
- Marked the applicable DCLs as "historical records" on the Information for Financial Aid Professionals (IFAP) website
- Institutions no longer need to follow this guidance
- Continuing to review guidance and regulations

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Gainful Employment: Program Integrity

- On October 31, 2014, ED published final GE regulations that went into effect on July 1, 2015 and:
- Established a debt-to-earnings rate measure to determine whether a GE program prepares students for gainful employment in a recognized occupation
 - Required institutions to report information about students who enrolled in each of the institutions' GE programs
 - Required institutions to establish the eligibility of a GE program by certifying that the program:
 - Was included in the institution's certification
 - Satisfied applicable state licensing/certification requirements for the occupations the program prepares students to enter

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State Authorization

- Current Effective Date, July 1, 2018
- NPRM Published May 25, 2018
 - Proposing to Delay Effective Date
 - Would Delay Effective Date until July 1, 2020
 - 15 Day Comment Period ended June 11, 2018
- On December 19, 2016, ED published regulations relating to the State authorization of distance education providers

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Upcoming Regulatory Actions

Will hold Public Hearings on:

- Accreditation
- State Authorization
- Ensuring Student Access to High Quality and Innovative Postsecondary Educational Programs
- Updating Regulations Relating to the Graduate Assistance in Areas of National Need (GAANN) Program
- Eligibility Of Faith-Based Entities And Activities—Title IV Programs
- TEACH

[Federal Register notice, July 31, 2018](#)

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Statutory Update, Consolidated Appropriations Act, 2018 Public Law 115-141 (H.R. 1625)

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Omnibus Appropriations Bill

On March 23, 2018 the President signed the Consolidated Appropriations Act, 2018, Public Law 115-141 (H.R. 1625)

Impacts Federal student aid in several ways:

- Maximum Pell Grant awards
- FAFSA use
- Children of Fallen Heroes Act
- Public Service Loan Forgiveness (PSLF)

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Federal Pell Grant Program

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Revised Pell Grant Schedules

The law raises the maximum Pell Grant by \$175 from \$5,920 to \$6,095 for the 2018-2019 award year

Otherwise eligible applicants, with EFCs 5329 - 5486 are now Pell Grant eligible

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Revised Pell Grant Schedules

April 10, 2018 ED published REVISED 2018-2019 Federal Pell Grant Payment and Disbursement Schedules ([Dear Colleague Letter GEN-18-04](#))

[Electronic Announcement, April 13, 2018](#) provides operational guidance #1

[Electronic Announcement, May 10, 2018](#) provides operational guidance #2

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Revised Pell Grant Schedules

[Electronic Announcement, May 25, 2018](#), announced availability of EDEExpress for Windows 2018-2019, Release 2.0

Packaging and Pell Grant module in Release 2.0 calculates Pell Grant awards according to the revised 2018–19 Federal Pell Grant Payment and Disbursement schedules published in [Dear Colleague Letter GEN-18-04](#)

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FAFSA Data Use

The appropriations law permits, but does not require, institutions to provide FAFSA data to a scholarship granting organization designated by an applicant if:

- The applicant has provided explicit written consent and
- The disclosure is to assist the applicant in applying for and receiving financial assistance at that institution

The scholarship organization cannot sell or otherwise share the FAFSA data they receive from institutions under this section
This provision will remain in effect until the HEA is reauthorized

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Children of Fallen Heroes Scholarship Act

Amends Sec. 473(b) of HEA

Expands special rule for "EFC shall be deemed zero"

Student must be eligible to receive Pell Grant for the year in which eligibility determination is made beginning with 2018-2019 award year (EFC > 0 and ≤ the maximum EFC for Pell Grant)

Parent or guardian actively serving as a public safety officer and died in the line of duty while performing as a public safety officer

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Children of Fallen Heroes Scholarship Act

At time of parent or guardian's death student was:

- Less than 24 years of age or;
- Enrolled at an institution of higher education on a part-time or full-time basis

Partial Pell Grant to full Pell Grant

Zero EFC used for all other title IV aid

Further guidance will be forthcoming

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Public Service Loan Forgiveness (PSLF)

\$350 million appropriation for temporary expansion of PSLF

Otherwise eligible Direct Loan borrowers

PSLF ineligible solely due to some or all payments made under a non-qualifying repayment plan (such as the Extended Repayment Plan)

Further guidance:

[Electronic Announcement, May 23, 2018](#)

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Federal Perkins Loan Program

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Perkins Wind-down

Federal Perkins Loan Program Extension Act of 2015

- Enacted on December 18, 2015
- Extended the Perkins Loan program through September 30, 2017
- Eliminated grandfathering of students after the new expiration date

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Perkins Wind-down Key Dates

Schools may not:

- Award Perkins Loans to graduate students after September 30, 2016
- Make subsequent disbursements to graduate students after June 30, 2017
- Award Perkins Loans to undergraduates after September 30, 2017
- Make subsequent disbursements to undergraduates after June 30, 2018

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Perkins Wind-down

[Dear Colleague Letter GEN-17-10](#)

ED will begin collecting Federal share of schools' revolving funds after submission of the 2019-2020 FISAP (Distribution of Assets)

Schools are not required to liquidate their Perkins Loan portfolios

If a school chooses to liquidate, it should submit the school's intent to liquidate through the COD CB system

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Distribution of Assets Process

- Statutory Requirement in the HEA, Section 466
- Distribution of Assets process will be replacing the existing Excess Liquid Capital process
- Process and deadline will be provided later this year

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Distribution of Assets Process

Schools will be notified in late Fall, after the next FISAP deadline: October 1, 2018

Both contributions and repayments of Fund capital from Federal Government and/or from the school over time are considered in formula

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Distribution of Assets Process

Schools may NOT reimburse themselves for service cancellations.

- Section 465(b) of the HEA prohibits the use of funds appropriated for Federal Capital Contribution from being used for cancellation reimbursement.
- The Consolidated Appropriations Act, 2018 (Pub. L. 115-141) appropriated funds for Fiscal Year 2018 for the Campus-Based programs, but did not allocate funds for Federal Perkins Loan service cancellation reimbursements.

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Gainful Employment

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GE Disclosure Resources

Updated Disclosures were due April 6, 2018
GE Disclosure Template
<http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/negreg-summerfall.html>
Quick start guides
Help desk: 855-359-3697, gedt@inovas.net
The Direct Distribution requirement was delayed until July 1, 2019

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GE Alternate Earnings Appeals

Notice of Intent to Appeal was due October 6, 2017
Documentation for appeal was due February 1, 2018
ED is in process of adjudicating these appeals
Will be posted on FSA Data Center

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GE Completers List

Completers lists for next calculation of GE rates released April 30, 2018

Corrections must be submitted within 45 days – June 13, 2018
• ED will review

Next steps in the process – Continue process to calculate draft debt-to-earnings rates

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Data Accuracy

Data provided to the ED serves important purposes. It is imperative that the data be accurate.

- **COD –**
• Student's academic program information
- **NSLDS –**
• Enrollment, including academic program
• Perkins loan reporting
- **FISAP –**
• Cumulative fields

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Operational Reminders

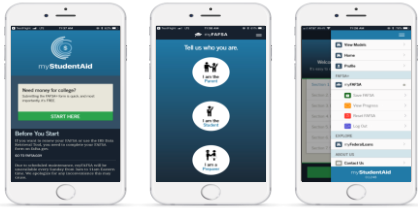
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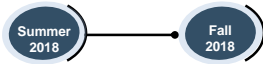
myStudentAid Mobile App – Summer 2018



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FAFSA® Going Mobile Timeline



- fafsa.gov responsive web application with updated branding
- MyStudentAid mobile app featuring the 2018–19 FAFSA form
- Integration of the fafsa.gov home page into StudentAid.gov with updated branding
- MyStudentAid mobile app featuring only the 2019–20 FAFSA form

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Year-Round Pell Grants

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Legislative Background

The Consolidated Appropriations Act of 2017 allows a student to receive Pell Grant funds up to 150% of the student's Scheduled Award for an award year

Effective beginning with the 2017-2018 award year

Applied to the summer of 2017 ONLY IF treated as a header to 2017-2018 award year

[Dear Colleague Letter GEN-17-06](#)

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General Requirements

Student must be otherwise eligible to receive Pell Grant funds for the payment period

Student must be enrolled at least half-time in the payment period for which the student received the additional Pell Grant funds

Additional Pell Grant will be included in the student's 600% maximum Pell Lifetime Eligibility Used (LEU)

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General Requirements

Payment period may include awards from both the initial Pell Grant Scheduled Award and from the additional Pell Grant award

When the calculated award for a payment period is greater than the remaining balance of an initial Scheduled Award, the award for the payment period is the remaining balance plus an amount from the additional Pell Grant award

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One Term – Additional Pell Amount

When the calculated award for a payment period is greater than the remaining balance of the initial Scheduled Award, the award for the payment period is the remaining amount of the initial Scheduled Award plus the Additional Pell amount

- Awarded as one amount
- Reported to COD as one amount

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Other Stuff

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FSA Publications Distribution

- After Aug. 30, 2018, ED stopped printing or delivering FSA publications (except for the FAFSA form).
- Review your current inventory. If needed, order publications at FinancialAidToolkit.ed.gov/orderpubs.
- Publications will still be available electronically.
 - FinancialAidToolkit.ed.gov/resources
 - StudentAid.gov/resources
 - IFAP.ed.gov
 - StudentLoans.gov

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Electronic G-845 Confirmation Process

Beginning May 1, 2018 DHS-USCIS returns to sender all Forms G-845 received on or after this date

Schools should have stopped mailing Forms G-845 to DHS beginning on April 24, 2018 to avoid Forms being rejected

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Electronic G-845 Confirmation Process

Instructions on how to access and use the SAVE system, and links to SAVE system resources, are available on the "DHS-SAVE, Eligible Noncitizen" information page on [IFAP](#)

[Electronic Announcement, February 26, 2018](#)

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Electronic G-845 Confirmation Process

[Electronic Announcement, June 8, 2018](#), DHS informed ED of an issue with the DHS Systematic Alien Verification Entitlement (SAVE) system that prevents schools from verifying students' immigration status

[Electronic Announcement, August 13, 2018](#), DHS-SAVE System Available for Schools to Submit Third Step Verification Requests

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2019-2020 Need Analysis Tables

As required in Sec. 482 of the HEA, the 2019-2020 need analysis tables are to be published by June 1

[Federal Register notice, May 17, 2018](#), provided the Federal Need Analysis Methodology for the 2019-2020 Award Year

[Federal Register notice, June 8, 2018](#), the Federal Register published a correction to the Educational Savings and Asset Protection Allowance tables for a missing line

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Experimental Sites Initiative

Active Experiments: (* - Not Currently Accepting Additional Participating Schools)

- Competency Based Education *
- Dual Enrollment *
- Educational Quality through Innovative Partnerships (EQUIP)
- Federal Work Study – Near Peer Counseling
- Limited Direct Assessment *
- Limiting Unsubsidized Loan amount
- Loan Counseling *
- Prior Learning Assessment *
- Second Chance Pell *

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Resources for Counselors and Mentors

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FinancialAidToolkit.ed.gov



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Make a Presentation About Filling Out the FAFSA® Form
 As FAFSA filing time approaches, your students will feel less anxious if they know what to expect. You might wish to use the FAFSA demonstration site to give students and parents a preview of the application. (You'll need internet access in the room where you're presenting.) For a more traditional talk, use a PowerPoint presentation. [Learn about the FAFSA demo site](#), and access a link to the site.

Talking point: Meeting school and state deadlines can make a difference in the amount of aid a student receives.

The FAFSA Process Graphic
Description: Graphic that walks through the process of preparing for, completing, and submitting a FAFSA. Includes info on what happens after a FAFSA is submitted. (752 KB)
Resource Type: Infographics
Also Available in: [PDF](#), [Text Version](#)

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FinancialAidToolkit.ed.gov



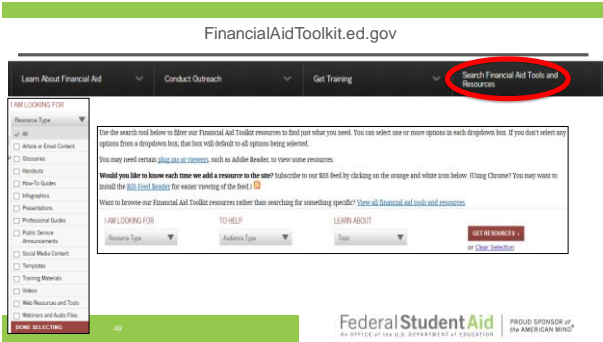
Webinar Postings
<https://financialaidtoolkit.ed.gov/uk/training.jsp>

Pre-recorded trainings

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Dallas Regional Office Contacts

- Dallas School Participation Team*
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Training Feedback

- To ensure quality training we ask all participants to please fill out an online session evaluation
- Go to <http://s.zoomerang.com/s/RickRenshaw>
 - Evaluation form is specific to Rick Renshaw
- 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 my supervisor nancy.hoover@ed.gov

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QUESTIONS?

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Thank You!

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