


Federal Update



Federal Update

PASFAA Spring Training

Amber Johnson | March 13 & 15, 2018
U.S. Department of Education

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Regulatory Update

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Regulatory Reform Agenda

- Executive Order on Regulatory Review
 - On February 24, 2017, the President signed Executive Order 13777 to reduce regulatory burdens on the American people through regulatory reform
 - ED has created a Regulatory Reform Task Force (RRTF) to review regulatory and sub-regulatory guidance throughout the Department

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Regulatory Review Task Force (RRTF)

- Public hearings on postsecondary regulatory relief:
 - September 26, 2017 – Salt Lake Community College
 - October 4, 2017 – U.S. Department of Education
- Received comments on a broad range of issues including financial aid regulations and Title IX guidance
- Initial Higher ED Focuses of RRTF:
 - Elimination of outdated guidance
 - Borrower Defense to Repayment
 - Financial Responsibility
 - Guaranty Agency authority to charge collection costs
 - Gainful Employment

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Borrower Defense (background)

- On November 1, 2016, the Department published final regulations that were scheduled to take effect on July 1, 2017. The final regulations:
 - Created a new Federal standard for borrower defense
 - Prohibited mandatory arbitration clauses
 - Required repayment rate disclosures under some circumstances

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Notice of Intent to Negotiate

- Notice of intent to negotiate the following topics published June 16, 2017:
 - Borrower Defense
 - Gainful Employment
 - Authority of Guaranty Agencies to charge collection costs to defaulted FFEL borrowers who enter into repayment agreements
- Federal Register – August 30, 2017: Negotiator Nominations and Committee Meetings
 - Nomination Deadline - September 29, 2017
 - Negotiations - November 2017 - March 2018
- Aiming to publish final regulations by November 1, 2018

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Borrower Defense / Published FR 6-16-2017

- Federal Register published June 16, 2017:
Postponement of Certain Provisions of the Borrower Defense Regulations
 - Certain provisions of the Borrower Defense final rules published on 11/1/2016 have been postponed
- Borrower Defense provision published in 1995 is still in effect

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Gainful Employment



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Gainful Employment Background

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

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GE Disclosures – EA 6/30/2017

- Electronic Announcement June 30, 2017:
Additional time to comply with certain deadlines
- Disclosure requirements in accordance with 668.412 (d) and (e) are delayed until July 1, 2018
 - (d) Promotional Materials
 - (e) Direct Distribution to Prospective Students

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GE Disclosures – EA 1/19/2018 (#110)

- Must comply with 668.412 (c) to provide a completed disclosure template, or link, to its GE web page
- 2018 GE template released on January 19, 2018 (2016-2017 award year data)
- Institutions have until **April 6, 2018** to update disclosures for EACH of their GE programs, using the 2018 GE Disclosure Template

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2018 GE Template Updates (EA 1/19/2018)

- No longer required to disclose room and board charges
- Unsub loan interest rate prefilled based on credential level
- Not required to disclose median earnings data in the template
- Must still disclose if a program has failed the D/E rates measure within 30 days of receiving a GE program's final D/E rates
 - Once a warning is input in disclosure template, the output screen will be prepopulated with student warnings (34 C.F.R. § 668.410)
- May add more than one accreditor job placement rate
- “Foreign Country” was added as an option in the list of States under licensure requirements

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GE Disclosure Resources

- GE Disclosure Template
<https://www2.ed.gov/policy/highered/reg/hearulemaking/2009/negreg-summerfall.html>
- Quick start guides
- Help desk: 855-359-3697, gedt@inovas.net

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GE Alternate Earnings Appeal – GE EA #108

- EA 8/18/2017: Announcement of Appeals Deadline
 - Notice of Intent to appeal deadline is October 6, 2017
 - Submission of Alternate Earnings Appeal deadline is February 1, 2018
 - *Please note this appeal is for data submitted related to D/E ratios released January 2017 (2015-2016 award year data)*

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Gainful Employment Negotiation

A negotiated rulemaking committee was formed to consider the Gainful Employment rules, and the committee will meet:

- Session 1: December 4-7, 2017
- Session 2: February 5-8, 2018
- Session 3: March 12-15, 2018

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FAFSA and CPS Processing



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2018-19 Award Year

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IRS DRT Security Enhancements

ISSUE

Concerns were raised that cyber criminals could use the IRS DRT to steal sensitive taxpayer data.

RESOLUTION

- New encryption safety measures to protect sensitive taxpayer data
- Different user experience



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IRS DRT Changes - Elec. Ann. 8/7/17

- The IRS DRT function reinstated for the 2018-2019 FAFSA on the Web
- To enhance the security and privacy of the sensitive personal data, all DRT data is encrypted/masked and hidden from view on:
 - IRS DRT website
 - FAFSA web pages
 - Student Aid Report (SAR)
- Applicants and parents will see the words "Transferred from the IRS" in the data entry fields on the FAFSA web pages and SAR

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IRS Data Retrieval Tool (DRT) Changes

- Institutional and state agency ISIRs will have IRS data
 - Because transferred data is not displayed, applicants and parents cannot make corrections to IRS DRT transferred items on FAFSA form before or after submission
- However, institutions can continue to make any necessary DRT data field corrections
 - Few corrections anticipated since data coming from IRS
 - Possible corrections: rollover correction; not allowed to use DRT; amended tax return
 - If access is secure, schools are able to share IRS-DRT information with student/spouse/parent

September 5, 2017 *Electronic Announcement*

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IRS Data Retrieval Tool (DRT) Changes

- Special provisions for Rollovers:
 - If greater than \$0 transferred from IRS into Untaxed Portions of IRA Distributions field/Untaxed Portions of Pensions field, applicant/parent required to answer a new question about a rollover
 - If they answer "yes," he/she will be required to provide the amount of the rollover in a new entry field
 - System will subtract user-reported rollover amount from the IRA/Pension distribution that was transferred from the IRS, and the result will be used in the calculation of the EFC

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IRS Data Retrieval Tool (DRT) Changes

- Special provisions for Income Earned From Work:
 - Because IRS-transferred information will not be displayed, applicants and parents who filed a *joint tax return* will no longer be able to transfer their combined income earned from work into the FAFSA form from the IRS DRT website
 - These joint filers will now be required to enter their income earned from work manually
 - Single applicants and single parents will continue to have their income earned from work transferred from the IRS into their FAFSA form

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IRS Data Retrieval Tool (DRT) Changes

- IRS Data Field Flags
 - NEW set of flags to help financial aid administrators know what, if any, specific information was changed once retrieved from the IRS and transferred into the FAFSA form
 - Flags provided separately for student and parent
 - Flags listed for EACH IRS-related data field that can be transferred from the IRS
- DIFFERENT flags than the IRS Request Flags
 - 02 Request flag still means no data changed for verification purposes

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IRS Data Retrieval Tool (DRT) Changes

- List of *IRS Data Field Flag* values:
 - Blank = IRS data not transferred from IRS (FAFSA submitted via paper or by a financial aid administrator)
 - 0 = IRS data not transferred from IRS (FAFSA not submitted via paper or by a financial aid administrator)
 - 1 = IRS data transferred from IRS – Not changed by user
 - 2 = IRS data transferred from IRS – Field changed by user prior to submission of application (only occur if IRA/Pension fields changed by user entering rollover amount)
 - 3 = IRS data transferred from the IRS – Field corrected by the user on this transaction
 - 4 = IRS data transferred from the IRS – Field corrected by the user on a previous transaction

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IRS DRT Flag Issue – EA 1/16/2018

Data Flags and IRS DRT Resolution

- IRS request flag of 02 though Tax Filing Status data field is 2 (changed)
 - Fixed in January 2018
 - For remainder of 18/19 FAFSA processing cycle, FAAs may accept IRS Request Flag of 02 when only IRS Data Field Flag equal to '2' is Tax Return Filing Status field (transaction considered verified)
- IRS request flag of 06 (cannot use DRT) is not updating correctly and preventing use of DRT
 - Fixed in January 2018
 - Work around - go to earlier transaction without 06 flag, make needed corrections, avoid changing anything associated with DRT eligibility

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IRS Data Retrieval Tool (DRT) Changes

- Any web edits that include information transferred from IRS will no longer be presented to the applicant or parent
- Instead, new SAR comments will display on the ISIR (and SAR) to alert financial aid administrators that at least one edit was triggered but could not be displayed and therefore, could not be resolved online
- Comment Codes:
 - 400 (parent) = Your Financial Aid Administrator may contact you to resolve any issues related to parental data reported on your FAFSA
 - 401 (student) = Your Financial Aid Administrator may contact you to resolve any issues related to data reported on your FAFSA

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Reasons for Comment Code 400

For Parents of Dependent Students

- Parent is a tax filer (FAFSA Question 80) and the AGI retrieved from the IRS is zero, but the total income earned from work (FAFSA Questions 88 and 89) is greater than zero
- The **total** of the Additional Financial Information fields reported on the FAFSA form (FAFSA Questions 93a-f) is greater than the AGI transferred from the IRS
- **Any item** from the FAFSA list of Untaxed Income (FAFSA Questions 94a-i) is equal to or exceeds the AGI transferred from the IRS

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Reasons for Comment Code 401

For Dependent Students and Independent Students

- Student is a tax filer (FAFSA Question 32) and the AGI retrieved from the IRS is zero, but the total income earned from work (FAFSA Questions 39 and 40) is greater than zero
- The **total** of the Additional Financial Information fields reported on the FAFSA form (FAFSA Questions 44a-f) is greater than the AGI transferred from the IRS
- **Any item** from the FAFSA list of Untaxed Income (FAFSA Questions 45a-j) is equal to or exceeds the AGI transferred from the IRS

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Special Notes – Comment Code 400/401

- When Comment Code 400 or 401 appears on an ISIR and an institutional review confirms that none of the relevant data items for a 400/401 condition exists, the institution need not take any further action
- *Comment Code 400/401 can be considered resolved if (V1 or V5) verification is completed for the same applicant for the same ISIR record*

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Comment Code 399



- The 2017–18 FAFSA will continue to be flagged with a comment code 399 if there is a conflict with the applicant's last 2016–17 ISIR transaction
- CPS review will determine if any conflicting income and/or tax information would, once resolved, produce a significant change in the student's expected family contribution (EFC)
- If so, the Central Processing System (CPS) will flag the applicant's 2017–18 ISIR with a 'C' Code and Comment Code 399

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Comment Codes 399 and 400/401 Resources

Comment Code 400/401:

- Electronic Announcement Published [August 7, 2017](#)

Comment Code 399:

- Dear Colleague Letter [GEN-16-14](#)
- Electronic Announcement published [August 10, 2017](#)
- Frequently Asked Questions (FAQ) on IFAP at <https://ifap.ed.gov/EarlyFAFSA/earlyfafsaFAQv1.html>

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Homeless Youth

ISSUE

Applicants age 22 or 23 who indicated on the FAFSA that they were homeless always had to rely on the FAA to set a Homeless Youth Override flag in order for the applicant to complete the FAFSA as an independent student.

RESOLUTION

- Logic for FAFSA questions 56, 57, and 58 has been modified
- Questions display to all applicants who indicate they are homeless
- Allows applicants age 22 or 23 to indicate if they've received a homeless determination



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Parent Marital Status

ISSUE

Parents had difficulty answering the parent marital status question correctly.

RESOLUTION

- Question 59 has been modified
- Term "legal" only applies to "unmarried and both parents living together"



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Amended Return Filers & the IRS

ISSUE

Applicants and parents who self-reported that they amended their tax return could not use the IRS DRT to transfer tax return information into the FAFSA.

RESOLUTION

- Amended tax return filtering question has been removed
- Applicant/parent can use IRS DRT to import info from original return
- IRS indicates if there's an amended return on file
 - IRS Request Flag 07
- Institution must obtain documentation for the updated information and make any necessary corrections regardless if selected for verification



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Responsive Web Design

ISSUE

The FAFSA form was not designed for use with mobile devices.

RESOLUTION

- FAFSA form will utilize Responsive Web Design
 - Implementation will be done via a multi-phase approach
 - Application and Home page only (Phase One)
- More accessible to all users
- Greatly enhances user experience on all devices



Phase 1
Spring 2018

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2019-20 Award Year

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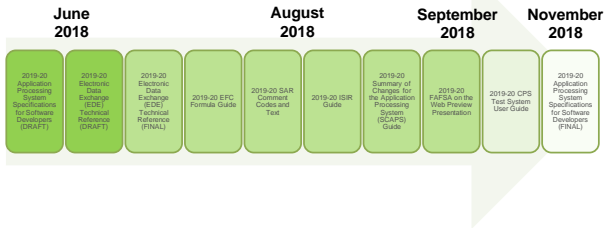
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Important Publication Dates



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Important System Dates

2019-20 FAFSA on the Web Demonstration Site	September 23, 2018
2019-20 EDEExpress for Windows, Release 1.0	September 24, 2018
2019-20 FAFSA on the Web availability	October 1, 2018
2019-20 IRS Data Retrieval Tool availability	October 1, 2018
2019-20 FAA Access to CPS Online availability	October 1, 2018
2019-20 Distribution of SARs/ISIRs begins	October 2, 2018

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G-845 Process

Immigration

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Electronic G-845 Process

- Please note that beginning in *May, 2018*, the U.S. Citizenship and Immigration Services (USCIS) will be moving to an electronic process for reviewing and replying to G-845 data ("third step verification")
 - Systematic Alien Verification Entitlement System (SAVE) is an electronic process to verify students who were not confirmed as eligible noncitizens through FSA's Primary and Secondary batch process
- More information will be available from ED and USCIS in the future through a variety of communication formats
 - IFAP links, videos, electronic announcements

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DHS/SAVE – Step 3 Form G-845

ISSUE	RESOLUTION
<ul style="list-style-type: none">• Filling out the form is a cumbersome process• FAAs wait 10-20 business days for a response• Forms get lost in the mail	<ul style="list-style-type: none">• The paper third step (Form G-845) will be replaced by an online process<ul style="list-style-type: none">• Less data entry• FAAs will usually receive a response in 3-5 business days• Student only needs to be reviewed by one school• Search by DHS Verification Number & Date of Birth• Scan, download, and attach applicant's immigration documents

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DHS/SAVE Communication

- 1 EA will notify schools PDPA's SAVE User ID is available on Participation Management system "Manage your SAIG Mailboxes" link
 - PDPA will enroll themselves through SAIG Enrollment
 - Once PDPA in SAVE, can create additional 3rd Step Verification Users
- 2 IFAP posting anticipated for Spring 2018:
 - Instructions for logging in and utilizing the system
 - *FSA Handbook* updated to include SAVE information
- 3 User ID dissemination planned for March 2018
- 4 DHS/SAVE will reject Paper Form G-845 beginning May 1, 2018

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Verification



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2018-2019 Verification

- May 5, 2017 Federal Register and GEN-17-05
 - No changes to verification tracking groups
- EA 8/16/2017: 2018-19 Verification Suggested Text
- Updates:
 - Internal Revenue Service (IRS) Data Retrieval Tool (DRT) is available again (masking process)
 - Dependent students who are nontax filers do not have to provide confirmation of nonfiling status from the IRS or other relevant tax authority
 - Other parties do (parents, independent students, etc.)

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2018–2019 Verification

Verification of Nonfiling (VNF)

IRS documents that clearly indicate that the IRS does not have a tax return record on file for the tax year are acceptable for VNF

- Includes Tax Return Transcripts/Tax Account Transcripts that indicate “no record of return filed” or “no transcript on file”
- Includes any version of IRS Form 13873 that clearly states that the form is provided to the individual as verification of nonfiling or states the IRS has no record of a tax return

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2018–2019 Verification

- Updates: (tax extensions)
 - Individuals granted only the automatic six-month extension must use the IRS DRT or submit an IRS Tax Return Transcript
 - Only individuals granted a filing extension by the IRS beyond the automatic six-month extension for tax year 2016 may submit the documentation for extension filers
 - Individuals called up for active duty or for qualifying National Guard duty may submit a statement certifying that he or she has not filed an income tax return or a request for a filing extension because of that service

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2018–2019 Verification

- Updates:
 - An unexpired valid government-issued photo identification is one issued by the U.S. government, any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, a federally recognized American Indian and Alaska Native Tribe, American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau

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2018–2019 Verification

- Reminder:
 - Students selected for verification that qualify for an auto zero EFC have reduced requirements –
 - *For dependent students*
 - The parents' AGI if the parents were tax filers
 - The parents' income earned from work if the parents were nontax filers; and
 - The student's high school completion status and identity/statement of educational purpose, if required

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2018-2019 Verification

- Reminder:
 - Students selected for verification that qualify for an auto zero EFC have reduced requirements:
 - *For independent students*
 - The student's and spouse's AGI if they were tax filers
 - Student's and spouse's income earned from work if they were nontax filers
 - The student's high school completion status and identity/statement of educational purpose, if required;
 - The number of household members to determine if the independent student has one or more dependents other than a spouse

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Verification Guidance - Rollovers

- If DRT transfers a non-zero amount into the untaxed pension or IRA distribution field, applicant will be able to report amount of a rollover and Central Processing System (CPS) will subtract it
- The IRS Data Field Flag will be "2" - field changed by user prior to submission of application
- *To complete verification for this item, collect a signed statement certifying that the untaxed pension or IRA distribution contained a rollover*

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Verification Q & A – VI-Q4

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Verification Guidance - Amended Returns

- Students or parents who filed an amended tax return may use the IRS DRT
- IRS Request Flag value of 07
- To complete verification the institution must obtain a *signed copy of the IRS Form 1040X**, AND *one of the following*:
 - IRS tax return transcript; or
 - IRS DRT information on an ISIR record with all tax information from the original tax return

*Note: An applicant and/or spouse, or parent(s) who did not file an IRS Form 1040X with the IRS, but whose tax and income information was amended by the IRS, may submit documentation from the IRS that include the change(s), in addition to one of the items mentioned above

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Verification Q & A – DOC-Q2

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V4 and V5 Tracking Results

- V4 and V5 tracking process in Financial Aid Administrator (FAA) Access continues to be in effect for 2018–2019
- Institutions need to select the proper award year for which they are providing results
- Value #6 added to drop down options
 - Verification attempted, issues found with both identity and high school completion

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Federal Pell Grant Program



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Year-Round Pell: DCL GEN-17-06

- Per the Consolidated Appropriations Act of 2017, a student may now receive Pell Grant funds up to 150% of the Scheduled Award in an award year
 - 1st 100% is initial scheduled Pell award
 - Final 50% is considered the additional Pell award (YRP)
- Effective with the 2017-18 award year
- Technical information – Electronic Announcement: June 20, 2017

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Year-Round Pell: Student Eligibility

- Student must be enrolled at least half-time in the payment period(s) for which s/he receives the additional Pell Grant funds (additional 50%)
- Dropping below half-time enrollment after Pell is disbursed and enrollment status is locked in, will not render the student ineligible
- A Pell recalculation to less than half-time will render the student ineligible
- Pell calculations and formulas remain unchanged
- The additional Pell Grant funds will be reflected in the student's 600% maximum Pell Lifetime Eligibility Used (LEU)

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Year-Round Pell: Student Eligibility

- Choice of crossover payment period award year can be made based on an institutional policy that—
 - Provides for an individual decision for each student
 - Applies to all students (or a category of students) without exception or
 - Applies to all students (or a category of students) with allowance for an individual student exception

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Year-Round Pell: Student Eligibility

- While not a requirement, many schools have switched to Summer being a header term rather than a trailer term for the Federal Pell Grant Program
- Students are more apt to be less than half time in the Summer as opposed to other terms
 - If summer is a trailer and the student is LHT in Summer, she will not benefit from the additional Pell funds
 - However, if summer is a header and the student is LHT in Summer, she will not be using additional Pell funds in the Summer
 - She most likely will use additional Pell funds in the following Spring when she is more likely to be HT or greater

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Federal Update

2018-2019 - Pell Payment Schedules

- Maximum Scheduled Award - \$5,920
 - Amount remains the same from 2017-2018
 - May be able to receive up to 150% of scheduled Pell award
- Minimum Award - \$596
- Maximum eligible EFC – 5328
- Payment Schedules – See DCL GEN-18-01
 - January 31, 2018

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Perkins Loan



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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
 - Prohibits any further extensions of the Perkins Loan Program under GEPA

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Federal Update

Perkins Awarding

- No new Perkins Loans should have been awarded to graduate students after September 30, 2016
- No new Perkins Loans should have been awarded to undergraduate students after September 30, 2017
 - Subsequent disbursements may *only be made through June 30, 2018*, including for summer 2018, as long as the loan is first disbursed between July 1, 2017 and September 30, 2017

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Perkins Wind-down

- DCL GEN-17-10 (posted October 6, 2017)
- Schools are NOT required to liquidate their Perkins Loan portfolios
 - Schools may...
 - Continue to service their own portfolios
 - Contract with a third-party servicer for servicing
 - Choose to assign any or all loans to the Department, whether defaulted or not, at any time

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Assignment Process

Electronic Announcement – March 14, 2016

- Reminder - streamlined requirements to assign Federal Perkins Loans to ED (defaulted and nondefaulted)
- Included a chart outlining required documents, alternative documents and extenuating circumstances documents

When an institution assigns a loan to ED, the institution:

- Transfers all rights and responsibilities on loan to ED
- Relinquishes its rights to any share of any collections by ED
- Relieved of incurring any additional expenses collecting the loan
- Does not get reimbursed for any amounts collected on loan by ED

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Federal Update

Perkins Resources

- Dear Colleague Letter GEN-16-05
- Dear Colleague Letter GEN-17-10
- Federal Student Aid Handbook, Vol. 6, Chap. 5
- Perkins Liquidation and Assignment resource pages:
<https://ifap.ed.gov/ifap/cbp.jsp>



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FSA Systems



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National Student Loan and Data System



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New Enrollment Reporting Report

- There is a new National Student Loan Data System (NSLDS®) report to assist schools with understanding which students are included in their Enrollment Reporting Statistics
- The new *Enrollment Reporting Statistics Backup Detail Report*, now available on the NSLDS Professional Access website, is described in NSLDS Newsletter #59 published on IFAP in December

<https://ifap.ed.gov/nsldsmaterials/NSLDSNewsletter59.html>

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Organization Profile

- In February 2017, NSLDS created the Organization Profile to allow users to see all of their NSLDS services in one place



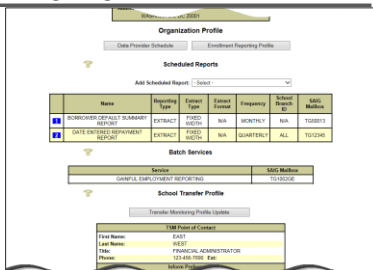
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Organization Profile

- On the Organization Profile page, schools can find:
 - Link to the Data Provider Schedule
 - Link to Enrollment Reporting Schedule
 - Scheduled Reports
 - Batch Services
 - School Transfer Profile



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College Scorecard

- Later in 2018, NSLDS will begin to manage a portion of the College Scorecard calculation process
- The following calculations will be available for review on the NSLDSFAP website under the Org Tab:
 - Repayment Rate
 - Completion Rate
 - Median Loan Debt
- A new report will be created to provide schools with the backup detail for each calculation



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Common Origination & Disbursement System



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COD Technical Reference

- 2018-19 COD Technical Reference has been published
- Seven volumes
- See the publication at
<https://ifap.ed.gov/codtechref/1819CODTechRef.html>

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Federal Update

eCB Functionality Moving to COD

- **February 6, 2018** – eCB System is closed to schools
- **March 23-25, 2018** – Campus-Based processes implemented in the COD System (COD Release 17.0)
- **March 25, 2018 and forward** – User access transition and Campus-Based processes become available
 - eCB System users will begin the process to gain access to the COD System, if they don't already have COD System access
- Specific instructions about user access and how and when users will need to transition to the COD System will be provided in spring 2018
- See December 21, 2017 EA
<https://fap.ed.gov/eannouncements/122117eCBTransNum2CBProcTransTimelineDecMar2018.html>

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Electronic Announcement – 2/15/18

February 15, 2018 – Campus-Based User Access and User Roles in COD

- Schools begin using COD for CB processes March 26, 2018
- Attachments identify different User roles that can be assigned and steps to gain User access to COD
 - **User access** determines if a user is authorized to log in to the COD System
 - **User role** defines the types of Campus-Based business processes a user can complete once he or she logs in to the COD System

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Upcoming Enhancements to COD

- COD Release 17.1 PLANNED for early Summer 2018
 - We plan on adding a “handful” of school-facing enhancements
 - New edit for Direct Loan Program
 - New TEACH Counseling process and report
 - Enhanced Iraq and Afghanistan Service Grant processing

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Federal Update

Federal Student Aid's Next Generation Financial Services Environment



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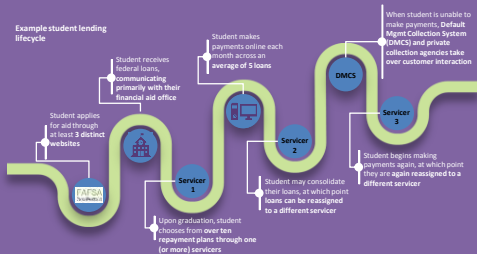
Federal Student Aid (FSA) has one of the largest consumer loan portfolios in the world. We should deliver for our customers on par with world-class financial services.

To do that, we have defined the **Next Generation Financial Services Environment** with four primary goals:

1. **World-class customer experience**, grounded in a mobile-first, mobile-complete, and mobile-continuous environment, to improve customer outcomes
2. **Greater operational flexibility** to allow us to more rapidly integrate new capabilities and features
3. **Reduce complexity**, improve the stability and resiliency of our systems, and provide more cost-efficient solutions
4. **Improve repayment outcomes** and overall portfolio performance



Customers interface with multiple brands throughout the student lending lifecycle, creating a fragmented experience



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[illegible]

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U.S. Department of Education

Federal Update

Data Security

Consolidated Rules, Tools, Audit Language & Guidance

Compliant Self-Report Option and Suggested Data Share

Cyber Alerts and Contact Info

Outreach, Training & Links

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Data Security

- Institutions must ensure that its third-party servicers use NSLDS® data only for the Title IV function for which the servicer is contracted to perform on behalf of the institution
- Servicers are prohibited from using NSLDS data for any other purpose
- NSLDS data includes but is not limited to:
 - Any borrower or loan-level information retrieved from NSLDS
 - Usage of the NSLDS websites
 - Receipt of data from NSLDS reports
 - Receipt of data from NSLDS batch distribution (ex. Enrollment Reporting, FAH, etc.)
- The Department will initiate an administrative action against the institution and its third-party servicer if a third-party servicer violates this prohibition

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New FAQ at CyberSecurity Site

Q. We recently heard in an FSA conference session that we can no longer accept faxed or emailed copies of taxes or tax transcripts. Is this the case? Are we permitted to accept such documents via a student's school email account?

A. Schools should never solicit personally identifiable information (PII)—especially sensitive personally identifiable information (SPII)—through means that are known to be insecure. Schools must remediate this type of data breach immediately each time it occurs. However, at this time, this type of data breach does not need to be reported as an institutional data breach to FSA*

*Please see complete Answer at FAQs at <https://ifap.ed.gov/eannouncements/attachments/CyberFAQ.pdf>

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Federal Update



Sharing FAFSA Data

- HEA is very prescriptive about how the data collected on the FAFSA can be used
- ED continues to look at what options are available, under the HEA, for institutions to share data with other entities, usually involved with awarding scholarships
- Watch IFAP for guidance in the future

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Recent Guidance



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2018-2019 Campus-Based Programs Key Dates

1/3/2018 – Federal Register: Announced the 2018-2019 Award Year Deadline Dates for the submission of requests and documents for the Campus-Based programs

August 13, 2018:

- Campus-Based Reallocation Form for return of 2017–2018 funds and the request for supplemental FWS funds for the 2018–2019

October 1, 2018:

- 2019–2020 FISAP (2017–2018 expenditures and requests for 2019–2020 to be submitted via COD)
- Work Colleges Program Report of 2017–2018 expenditures
- 2017–2018 Financial Assistance for Students with Intellectual Disabilities Expenditure Report

December 14, 2018:

- 2019–2020 FISAP Edit Corrections
- 2019–2020 Perkins Cash on Hand Update as of October 31, 2018

February 4, 2019:

- Request waiver of the 2019–2020 award year penalty for the underuse of 2017–2018 funds

March 4, 2019:

- The Institutional Application and Agreement for Participation in the Work Colleges Program for the 2019–2020

April 22, 2019:

- Request for waiver of the FWS Community Service Expenditure Requirement for 2019-2020



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Dear Colleague Letters

GEN-17-08 – Major Disasters

- provides updated information regarding the impact of a “major disaster” on the administration of the Title IV student assistance programs and *supersedes guidance* included in previous Dear Colleague Letters



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Cohort Default Rates

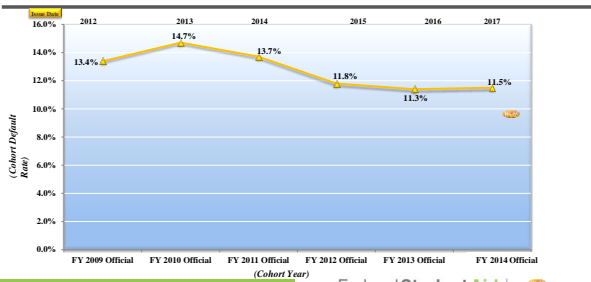
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National Student Loan Default Rates



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CDRs and References

- FY14 CDR for Pennsylvania is 9.9%
- Resources
 - September 27, 2017 electronic announcement
 - Default Prevention website
 - <https://ifap.ed.gov/DefaultPreventionResourceInfo/index.html>

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FSA Training Site

The FSA E-Training is at fsatraining.info



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Fundamentals of Federal Student Aid

- Introduction to Federal Student Aid
 - Online course that must be successfully completed to attend the in-person workshop
 - Can also be used as a standalone training tool to train new FA staff
- In-person workshop
 - 5 day workshop offered in FSA Regional Training Facilities
 - Remaining dates are on fsatraining.info
 - Click on "Fundamentals Training"



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FSA COACH

- Click on FSA COACH Suite Courses
 - FSA COACH Basic
 - FSA COACH Intermediate
 - FSA COACH Advanced



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Federal Update

Quick Takes

- Brief videos on a variety of Federal Student Aid topics
 - Conflicting Info
 - PJ
 - Defining a "year" in Federal Student Aid
 - Establishing COA
 - SAP
 - More than 20 topics available
- Designed to take about 15-20 minutes each
- Click on "Training by Topics" > "Quick Takes Videos"



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In Depth Training on FSA Topics

- More detailed training on a variety of Federal Student Aid topics
 - R2T4
 - Campus Safety and Security
 - Default Prevention
 - Several others
- Designed to take 60-90 minutes for each topic
- Click on "Training by Topics"



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2018 FSA Training Conference



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Federal Update

Contacts

- **Region III School Participation Team**
 - Main Number: 215-656-6442
 - Joe Kern (IIS) – Joe.Kern@ed.gov; 215-656-8566



- **Region III Training Officers**
 - Amber Johnson – Amber.Johnson@ed.gov; 202-377-3369
 - Craig Rorie – Craig.Rorie@ed.gov; 215-656-5916

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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/AmberJohnson>
 - Evaluation form is specific to Trainer Name
 - 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 mark.gerhard@ed.gov

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QUESTIONS?



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