


**FEDERAL UPDATE**



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Federal Student Aid  
U.S. Department of Education  
NeASFAA Annual Conference 2021

*March 2021*

FederalStudentAid  
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

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**AGENDA**

01 Negotiated Rulemaking Updates  
02 Distance Education and Innovation Regulations  
03 Consolidated Appropriations Act  
04 COVID-19 Waivers and Flexibilities  
05 Operational Updates and Reminders

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**NEGOTIATED RULEMAKING**

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## NEGOTIATED RULEMAKING

### Accreditation and Innovation Negotiated Rulemaking

- Main committee plus three subcommittees
- July 31, 2018 - Notice: Intent to establish rulemaking committee; public hearings
- October 15, 2018 - Notice: Negotiator nominations and meeting schedule

**Website:**  
<https://www2.ed.gov/policy/highered/reg/hearulemaking/2018/index.html>  
(or search for Negotiated Rulemaking Higher Education 2018-19)

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## NEGOTIATED RULEMAKING

### Gainful Employment

- August 14, 2018 - NPRM
- July 1, 2019 - Final Rule
- July 1, 2020 - Effective date

**Rescinds GE regulations in 34 CFR 668 Subparts Q and R, including:**

- GE reporting
- GE disclosures
- Debt-to-earnings calculations
- GE certification

**Requirements OUTSIDE Subparts Q and R remain, including:**

- Reporting new GE programs within 10 days of the programs' start date
- Preparing students for gainful employment in recognized occupation
- Any requirements that apply to all Title IV, HEA programs

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## NEGOTIATED RULEMAKING

### Borrower Defense to Repayment

- July 31, 2018 - NPRM
- September 23, 2019 - Final Rule
- July 1, 2020 - Effective date

- Borrower Defense provisions will apply to all Federal student loans made on or after July 1, 2020
- Early implementation was allowed for financial ratios under § 668.172(d), and appendix A and B under subpart L (financial responsibility)

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## NEGOTIATED RULEMAKING

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### Financial Responsibility (Part of Borrower Defense regulations)

- Composite score changes
- Updates due to Financial Accounting Standards Board (FASB) changes
- Triggering events for surety

- April 9, 2020 - Q and A ([Electronic Announcement](#))

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## NEGOTIATED RULEMAKING

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### Accreditation and State Authorization

- June 12, 2019 – Notice of Proposed Rulemaking (NPRM)
- November 1, 2019 – Final Rule
- July 1, 2020 – Effective date

### TEACH Grants and Faith-Based Entities

- December 11, 2019 – NPRM
- August 14, 2020 – Final Rule
- July 1, 2021 – Effective date (with early implementation option)

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## DISTANCE EDUCATION AND INNOVATION REGULATIONS

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## DISTANCE EDUCATION REGULATIONS

### Distance Education and Innovation

- April 2, 2020 – NPRM
- September 2, 2020 – Final Rule
- July 1, 2021 – Effective date (with early implementation option)

**Goal of Distance Education and Innovation regulations:**  
Create new regulations and update existing regulations to remove barriers and allow for innovation while providing guardrails to protect students

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## DISTANCE EDUCATION REGULATIONS

### Modified definitions:

- Clock hour
- Correspondence course
- Credit hour
- Distance education
- Incarcerated student
- Nonprofit institution

### Added new definitions:

- Academic engagement
- Juvenile justice facility

Provides additional guidance related to direct assessment program requirements and Department approval process

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## DISTANCE EDUCATION REGULATIONS

### Changes to Return of Title IV Funds (R2T4):

- Students no longer considered withdrawn if any of the following apply:
  1. The student completes all requirements for graduation before completing the days scheduled to complete in the period
  2. The student completes one or more modules that comprise 49% or more of the number of days in the payment period or at least half-time enrollment
  3. The institution obtains written confirmation that the student will resume attendance at a later point in the period
- Denominator of R2T4 will be based on hours included in determination of Title IV awards

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## DISTANCE EDUCATION REGULATIONS

**Changes to Satisfactory Academic Progress (SAP):**

- For purposes of maximum timeframe and pace evaluation (quantitative) for a credit hour program, an institution may use credits completed over calendar time rather than credits completed divided by credits attempted
- Institutions are no longer required to maintain a pace (quantitative) evaluation for nonterm credit-hour or clock-hour programs. SAP policies for such programs must still have qualitative and maximum timeframe evaluations.

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## CONSOLIDATED APPROPRIATIONS ACT OF 2021

Includes FAFSA Simplification Act and Coronavirus Relief Provisions

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## STOP STUDENT DEBT RELIEF SCAMS ACT OF 2019


PUBLIC LAW 116-251

Signed into law: December 22, 2020

Effective Date: 180 days after the date of enactment of this Act. (June 20, 2021)

What it does:

- Criminal sanctions
- Exit Counseling
- Preventing improper access
- Detection and reporting of suspicious activity



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## FY 2021: STUDENT FINANCIAL ASSISTANCE



Program	FY 2020	FY 2021
Pell*	\$22.475B	\$24.545
FSEOG <sup>1</sup>	\$865M	\$880M
FWS <sup>2</sup>	\$1.18B	\$1.19B

*\*The Federal Pell Grant Program is funded through a mix of discretionary and mandatory funding streams. The amounts reflected here are only those made available through FY 2020 and FY 2021 appropriations law—the discretionary funding stream.*

<sup>1</sup> Federal Supplemental Educational Opportunity Grant (FSEOG)  
<sup>2</sup> Federal Work Study (FWS)

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## PELL GRANTS

- Pell Grant
  - Maximum Federal Pell Grant increased for 2020-21 award year by \$150 to \$6,345
  - Maximum Federal Pell Grant increased for 2021-22 award year by \$150 to \$6,495
- Dear Colleague Letter GEN 21-01 for Pell Payment and Disbursement Schedules
- <https://ifap.ed.gov/dear-colleague-letters/GEN2101>

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## SULA REPEAL

- Under the FAFSA® Simplification Act, part of the Consolidated Appropriations Act of 2021, the Department is directed to repeal 150% Direct Subsidized Loan Limit
- Future FSA modifications:
  - COD will cease applying the 150% limit to the awarding of new Direct Subsidized Loans; and
  - NSLDS® will cease to determine Loss of Subsidy on existing Subsidized Loans
- Monitor IFAP for updates; sign up to receive notifications of Electronic Announcements

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### FAFSA® PROVISIONS

- Expected Family Contribution (EFC) will change to Student Aid Index (SAI) to calculate eligibility for need-based aid except Pell Grant eligibility
  - SAI will be used to determine the Pell award for amounts less than the maximum Pell
- EFC was established in the HEA in 1972; we called it "Student Eligibility Index" until 1984-1985
- Pell Grant eligibility will follow a completely different formula to determine eligibility

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### FAFSA® PROVISIONS

- SAI will be simplified compared to EFC
- SAI will only include income information that is available from IRS
- SAI will change what counts as assets and how assets are treated
- SAI could be a negative number, but that number will be treated as zero for awarding purposes
- "Auto-Zero" SAI only available to those who are not required to file a Federal tax return

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### FAFSA® PROVISIONS

- Will reduce the number of questions on the FAFSA
- Will add new questions to the FAFSA
- Will change some FAA authority regarding adjustments to FAFSA data elements used to determine the SAI
- Will change some FAA authority regarding other adjustments such as dependency status (including homeless youth determinations)

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**PELL GRANT PROVISIONS**

Pell Grant eligibility will **not** be based on Student Aid Index (SAI). However, the amount may be impacted by SAI.

Instead, whether a student qualifies for Pell will be based on Adjusted Gross Income (AGI), household size, and poverty guidelines.

Allows Pell Grants for otherwise eligible students who are incarcerated but enrolled in an eligible prison education program.

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**OTHER CHANGES TO ELIGIBILITY**

Removal of Selective Service requirements for Title IV eligibility

Removal of drug conviction requirements for Title IV eligibility

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**COVID-19 WAIVERS AND FLEXIBILITIES**

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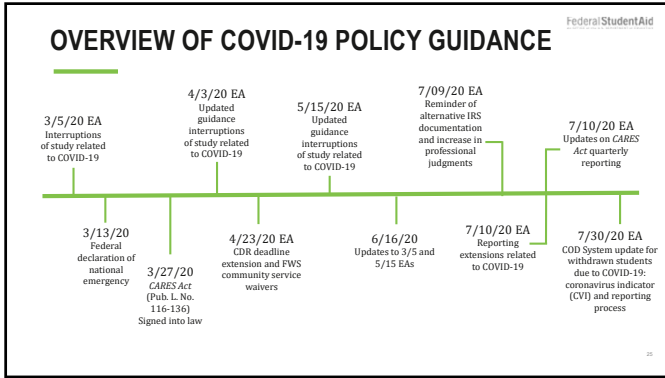
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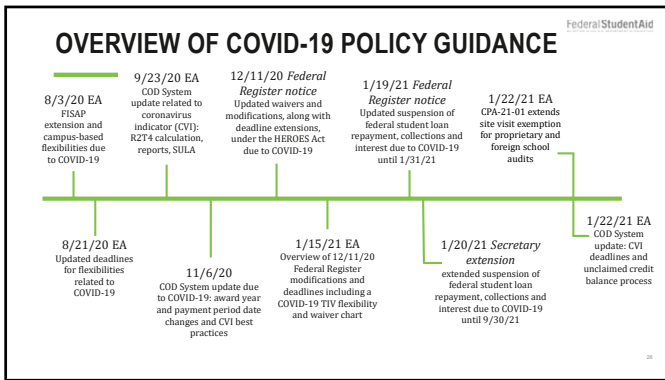
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**WITHDRAWALS DUE TO COVID-19** FederalStudentAid

*CARES Act (Pub. L. 116-136; sections 3506, 3507, 3508)*

For students who begin attendance during a qualifying payment period or period of enrollment and subsequently withdraw due to COVID-19, the CARES Act:

- Waives requirements to return *Title IV* funds through Return of *Title IV* funds (R2T4) requirements;
- Excludes that period from the student's Subsidized Loan usage;
- Excludes Pell Grant funds received from lifetime eligibility; and
- Cancels Direct Loan and TEACH Grant funds received for the period.

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### WITHDRAWAL WAIVER TIMEFRAME

*CARES Act (Pub. L. 116-136); August 21, 2020 Electronic Announcement(EA)*

- Applicable for any student who begins attendance in a *payment period* or *period of enrollment* that includes March 13, 2020, or begins between March 13 and *the last date that the national emergency is in effect*, and subsequently withdraws from the period as a result of COVID-19-related circumstances

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### WITHDRAWAL WAIVER ELIGIBILITY

*CARES Act (Pub. L. 116-136); May 15, 2020 EA*

- If a COVID-19 disruption occurred during a payment period or period of enrollment, including moving classes online or closing campus facilities, an institution may consider ALL students who withdraw during that period to be withdrawn due to COVID-19
- If a disruption did not occur during the payment period, the institution must accept a written attestation explaining why the student's withdrawal was due to COVID-19. Acceptable circumstances include:
  - Illness of the student or a family member;
  - Need to become a caregiver or first responder;
  - Loss of childcare;
  - Economic Hardship;
  - Inability to access wi-fi; or
  - An increase in work hours

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### WITHDRAWAL WAIVER ELIGIBILITY

*CARES Act (Pub. L. 116-136); May 15, 2020 EA*

- Withdrawn students qualify for all *Title IV* aid that they could have received at the time of the withdrawal, including amounts that would normally have been post-withdrawal disbursements
- If an institution previously returned funds under R2T4 to a student who qualifies for *CARES Act* relief, it should re-disburse those funds to the student's account. Doing so may require application for extended processing in the Common Origination and Disbursement (COD) system

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### QUESTION AND ANSWER – R2T4 RELIEF

**Question:** Is the R2T4 waiver under the CARES Act mandatory, or may an institution opt to continue returning funds to the Title IV programs even for those students whose withdrawals are the result of circumstances related to the COVID-19 emergency?

**Answer:** If an institution determines that a student has withdrawn as a result of COVID-19 and meets all conditions for CARES Act relief, it **must not** make returns under the R2T4 process.

If an institution has cause to doubt that a student's written attestation for his or her withdrawal is COVID-19 related, it may request any additional documentation reasonably necessary to determine the accuracy of the attestation.

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### WITHDRAWAL REPORTING

*CARES Act (Pub. L. 116-136); 5/15/20, 9/23/20, 11/6/20, and 1/22/21 EAs*

Institutions must report two types of information to the Department:

- Disbursements that qualify for CARES Act relief
  - Use the "Coronavirus Indicator" in COD
    - By 12/31/20 for 2019-2020 or earlier award years (can be later in limited circumstances)
    - By 9/30/21 for 2020-2021 award year
- Amounts that were not returned through R2T4 as a result of CARES Act relief by 9/30/21
  - Use the COD R2T4 Tool; or
  - Institution-level reporting method (to be released in April 2021)

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### ACADEMIC CALENDAR FLEXIBILITY

*March 5, 2020, April 3, 2020 and August 21, 2020 EAs;  
December 11, 2020 Federal Register notice*

- All standard terms permitted to overlap adjacent terms without program being treated as non-term and standard semester or trimester may consist of as few as 13 weeks
  - Applicable through the *end of the academic year that includes the last date that the national emergency is in effect*
- Reduction of defined academic year to < 30 weeks requires approval; contact School Participation Division (SPD) via email: [CaseTeams@ed.gov](mailto:CaseTeams@ed.gov)
  - *No expiration* since the authority exists in regulation and is not tied to the COVID-19 emergency

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### CAMPUS-BASED FLEXIBILITIES

[April 23, 2020 Electronic Announcement](#); [December 11, 2020 Federal Register notice](#)

- FWS community service requirements are waived for all FWS-participating schools of the 2019-20 and 2020-21 award year
  - No action needs to be initiated by school; waivers automatic for both award years
- Waiver expires at *the end of the award year that begins after the date on which the Federally declared national emergency related to COVID-19 is rescinded*

[August 3, 2020 Electronic Announcement](#); [January 15, 2020 EA](#)

- Underuse penalties not applied to 2021-22 FWS/FSEOG allocation due to COVID-19
  - Do not need to request underuse waiver if return more than 10% of 2019-20 allocations
- Automatic waiver of underuse penalties for Campus-Based funds is not being extended for subsequent years
- Requests for underuse waivers for subsequent years must be made in the COD System under normal timeframes and requirements

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### CAMPUS-BASED FLEXIBILITIES

[CARES Act \(Pub. L. 116-136; section 3503\)](#); [May 15, 2020 EA](#); [August 21, 2020 EA](#)

- Non-federal match waived for Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal Work-Study (FWS) programs
  - *Applies to the 2019-20 and 2020-21 award years*
  - Exception: FWS wages at for-profit employers
- Unexpended FWS allocation 100% transferable to FSEOG
  - Can be used for traditional FSEOG awards or FSEOG emergency grants
  - Applicable through the *end of the payment period that includes the last date that the national emergency is in effect*

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### CAMPUS-BASED FLEXIBILITIES

[CARES Act \(Pub. L. 116-136; section 3504\)](#); [May 15, 2020 EA](#); [August 21, 2020 EA](#)

- FSEOG can be used as “emergency grants” to assist undergraduate or graduate students for unexpected expenses and unmet financial need as the result of a qualifying emergency but *students must be Title IV eligible*
- FSEOG emergency grants can be no larger than maximum Federal Pell Grant for the applicable award year
- FSEOG awarding rules waived
- Emergency grants are not considered EFA (though the funds are Title IV funds)
- Applicable through the *end of the payment period that includes the last date that the national emergency is in effect*

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### CAMPUS-BASED FLEXIBILITIES

*CARES Act (Pub. L. 116-136); April 3, 2020 EA; August 21, 2020 EA*

Federal Work Study payments may be made to "affected work-study students" unable to work due to COVID-19. To qualify, students must have:

- Received a FWS award for the award year when the COVID-19 disruption occurred;
- Earned FWS wages for that award year; and
- Been prevented from completing FWS scheduled hours due to COVID-19

• Applicable through the *end of the payment period that includes the last date that the COVID-19 national emergency is in effect*

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### QUESTION AND ANSWER – FWS RELIEF

**Question:** How do we determine the amount of FWS funds to provide to a student when the student qualifies for payments because the student did not work hours that he or she was scheduled to work as a result of COVID-19?

**Answer:** If an FWS student is unable to work his/her scheduled hours because of COVID-19 disruptions (school closures, employer closures, student quarantined, etc.), the school may pay the student for any scheduled hours or allow the student to work by another means (on-line, remote, telecommute, etc.). Students should be paid the wage rate that they would have been paid if they were able to work the scheduled hours.

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### NEED ANALYSIS

*April 3, 2020 Electronic Announcement; August 21, 2020 EA*

- Any aid (in the form of grants or low-interest loans) received by victims of an emergency from a federal or state entity for the purpose of providing financial relief is **NOT** counted as income for calculating a family's Expected Family Contribution (EFC) under the Federal Methodology **OR** as estimated financial assistance for packaging purposes
  - Includes funds received by students under the Higher Education Emergency Relief Fund (HEERF) program
- Applicable through the *end of the payment period that includes the last date that the national emergency is in effect*

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## VERIFICATION

*April 3, 2020, May 15, 2020, July 9, 2020 EAs; December 11, 2020 Federal Register notice*

- Permits various flexibilities with V4/V5 documentation
  - Including suspension of in-person submission and notary requirements
- Waives signature requirements where no responsible parent can be found
- Flexibilities in verification of non-filing and obtaining a duplicate IRS W-2 form
- Institution may use documentation of HS completion it has already obtained for V4 and V5, and may accept a signed, dated statement from the applicant attesting to completion of high school
- Applicable through the *end of the payment period that begins after the date on which the Federally declared national emergency related to COVID-19 is rescinded*
  - Applies to any award year where verification is being performed during that timeframe

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## PROFESSIONAL JUDGMENT (PJ)

*July 9, 2020 Electronic Announcement; GEN-21-02*

- The Department encourages institutions to use PJ to reflect more accurately the financial need of students and families affected by the COVID-19 pandemic
  - May use documentation of unemployment—including, but not limited to, receipt of unemployment benefits—to reduce or adjust to zero the income earned from work for a student and/or parent as well as make corresponding adjustments to Adjusted Gross Income (AGI)
- For the 2019-20 through 2021-22 award years, the Department will not negatively view increased use of professional judgment or use it as a selection criterion for a program compliance review
- *No expiration* as professional judgment authority exists in statute and is not limited to circumstances related to COVID-19

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## QUESTION AND ANSWER – SELECTIVE SERVICE

**Question:** *Can an institution resolve a C Code for Selective Service registration if the Selective Service System (SSS) is unable to provide Status Information Letters during this national emergency?*

**Answer:** We are aware that requests for a Status Information Letter from the SSS are not currently being considered. Therefore, to resolve a Selective Service C code for applicants who do not pass the database match, we recommend that applicants use the online system at sss.gov to register or to verify prior registration.

If the online process does not confirm the applicant's registration, the FAA has the authority to determine whether the applicant knowingly and willfully failed to register. An FAA may consider special circumstances that may have prevented registration, and if the FAA determines the student – for example – did not knowingly and willfully fail to register for the selective service, the student may meet this eligibility requirement. The FAA should follow the process outlined in Volume 1 of the Federal Student Aid Handbook and may do so in lieu of using the status information letter.

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## SATISFACTORY ACADEMIC PROGRESS

*CARES Act (Pub. L. 116-136); May 15, 2020 and August 21, 2020 EAs*

Satisfactory academic progress (SAP) provisions:

- Institutions may exclude credits attempted, but not completed as a result of COVID-19 from the quantitative component of satisfactory academic progress calculations (effectively removed from maximum time frame as well)
- If an institution temporarily ceases operations during a period of enrollment, attempted credits for ALL affected students (specific to that enrollment period) may be excluded
- Applicable for SAP assessments made through the *end of the payment period that includes the last date that the national emergency is in effect*

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## QUESTION AND ANSWER – SAP RELIEF

**Question:** How do courses graded as "Pass/Fail" affect Satisfactory Academic Progress (SAP)?

**Answer:** Students may be permitted to take some or all classes on a Pass/Fail basis due to COVID-19. Where an institution has no existing policy allowing Pass/Fail grades, it may adopt one, even if only temporarily. Courses taken on a Pass/Fail basis count as attempts for SAP purposes. Generally, Pass/Fail grades are not factored into a student's GPA. However, an institution may follow its own policy with respect to the effect of Pass/Fail grades on GPA.

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## CASH MANAGEMENT

*April 3, 2020 Electronic Announcement*

- Early and late disbursement requirements and disbursement reporting timeframes remain in effect. Contact your School Participation Division if your institution will be unable to comply with normal requirements
- Final reporting deadlines remain in effect. If you need to submit a disbursement late, make a request via the Common Origination and Disbursement (COD) website or contact the COD School Relations Center at 1-800-474-7268

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## ENROLLMENT REPORTING

*April 3, 2020 Electronic Announcement; August 21, 2020 EA*

- If a student's attendance at an institution is interrupted due to the COVID-19 national emergency, the institution should continue to report the student's enrollment status to the National Student Loan Data System (NSLDS®) as "in-school." The institution should continue the borrower in the same loan status until the next enrollment period unless the student withdraws
  - Allows institutions to defer reporting a withdrawn status where the institution unexpectedly ceases operations but will reopen within 90 days
- Applicable through the *end of the payment period that includes the last date that the national emergency is in effect*

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## TEACHER SERVICE OBLIGATIONS

*CARES Act (Pub. L. 116-136); May 15, 2020 Electronic Announcement*

- For Teacher Education Assistance for College and Higher Education (TEACH) Grant Program purposes, if previously qualifying teaching service becomes part-time or is temporarily interrupted as a result of a qualifying emergency, that teaching service is considered full-time and fulfills the service obligation requirement
- Department may modify the categories of extenuating circumstances under which a TEACH Grant recipient who is unable to fulfill part of a teaching service obligation may be excused from fulfilling that portion of service
- For purposes of teacher loan forgiveness, waives requirement that years of teaching service be "consecutive" due to interruption related to the COVID-19 emergency
- Applicable through the *end date of the COVID-19 emergency*

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## RELIEF FOR LOAN BORROWERS

*CARES Act (Pub. L. 116-136; section 3513); December 11, 2020 Federal Register notice; January 20, 2021 Secretary Extension*

- Through *September 30, 2021*, the following are suspended on Department-held loans:
  - Loan payments
  - Interest accrual
  - Involuntary collection, including wage garnishment and treasury offset
- Payments that would have occurred during suspension will count toward loan forgiveness and loan rehabilitation
- Borrowers are not required to recertify income for one calendar year from the date on which the borrower would have been required to recertify documentation in 2020
- *Federally held loan flexibilities are allowed but not required for Perkins loans held by institutions*

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# ADDITIONAL COVID-19 TITLE IV RESOURCES



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## COVID-19 TITLE IV RESOURCES

General Guidance:  
<https://www.ed.gov/coronavirus/program-information#highered>

FAQs for Title IV Programs:  
• <https://www2.ed.gov/about/offices/list/ope/covid19faq.html>  
• **January 15, 2021 EA:**  
• Overview of 12/11/20 Federal Register notice waivers under the HEROES Act  
• Includes comprehensive chart of COVID-19 flexibilities and waivers, timeframes and various citations

For questions, contact [COVID-19@ed.gov](mailto:COVID-19@ed.gov)

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## COVID-19 WAIVERS AND FLEXIBILITIES

**Guidance and FAQs for Higher Education Emergency Resources Fund**  
<https://www2.ed.gov/about/offices/list/ope/caresact.html>

**Guidance and FAQs for Title IV Programs**  
<https://www.ed.gov/coronavirus/program-information#highered>  
<https://www2.ed.gov/about/offices/list/ope/covid19faq.html>

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## COVID-19 WAIVERS AND FLEXIBILITIES

**Latest communications**

- [Electronic Announcement published January 15, 2021](#)
  - Explains extensions of waivers and deadlines in the [December 11, 2020 Federal Register notice](#)
  - [Attachment](#) to 1/15 EA provides chart of all COVID-19 relief and flexibilities
- Electronic Announcements published January 22, 2021
  - [EA ID: GENERAL-21-03](#) describes Dear CPA Letter CPA-21-01 extending site visit exemption for auditors
  - [EA ID: COD-21-01](#) explains deadline extension for entering Coronavirus Indicator and other COVID-19 COD issues

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Federal Student Aid

## HIGHER EDUCATION EMERGENCY RELIEF FUND I AND II (HEERF) RESOURCES



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Federal Student Aid

## HIGHER EDUCATION EMERGENCY RELIEF FUND I AND II RESOURCES

- HEERF I: <https://www2.ed.gov/about/offices/list/ope/caresact.html>
  - Contains agency letters, program information, Q & As, training materials and contact information
- HEERF II: <https://www2.ed.gov/about/offices/list/ope/crrsaa.html>
  - Contains agency letters, program information Q & As and contact information
- HEERF Reporting <https://www2.ed.gov/about/offices/list/ope/heerfreporting.html>
  - Review January 15, 2021 EAs; Questions - 888-OPEPD-10

General questions related to HEERF should be sent to: [HEERF@ed.gov](mailto:HEERF@ed.gov)

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# OPERATIONAL UPDATES AND REMINDERS



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## VERIFICATION

- Same data items
- No changes to the verification tracking groups
- Acceptable documentation is listed in the Federal Register Notice on September 3, 2020
- 2021-22 FAFSA® Verification Suggested Text published September 25, 2020
- COVID-19 waivers apply to 2021-22 award year verification

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## PERKINS LOAN UPDATES



- Ensure Part III of the FISAP Perkins information is correctly reported
- Report to NSLDS® monthly
- Distribution of Assets process – after the FISAP correction deadline of December 15, 2020
- Schools are expected to assign loans to the Department that have been in default greater than 2 years

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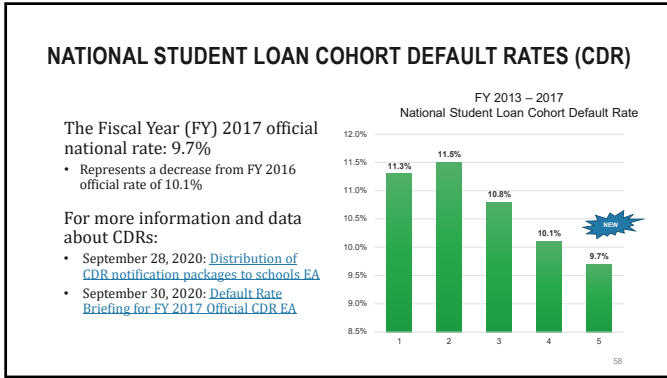
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### 2020 – 2021 FEDERAL LOAN INTEREST RATES

May 15, 2020 – Electronic Announcement

Federal Direct Loans Disbursed July 1, 2020 thru June 30, 2021	
Direct Subsidized Loans and Direct Unsubsidized Loans for <b>Undergraduate</b> students	2.75%
Direct Unsubsidized Loans for <b>Graduate</b> and <b>Professional</b> students	4.30%
Direct PLUS Loans for <b>Parents of Dependent Undergraduate</b> students and <b>Graduate or Professional</b> students	5.30%

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### FEDERAL LOAN ORIGINATION FEE CHANGE OCTOBER 1, 2020

June 29, 2020 – Electronic Announcement

Any loan disbursement for a loan where the first disbursement is/will be...	The origination fee percentage (%) for Direct Subsidized Loans and Unsubsidized Loans is...	The origination fee percentage (%) for Direct PLUS Loans is...
On or after October 1, 2019 and before October 1, 2020	1.059%	4.236%
On or after October 1, 2020 and before October 1, 2021	1.057%	4.228%

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**ANNUAL STUDENT LOAN ACKNOWLEDGEMENT**  
FORMERLY THE INFORMED BORROWER TOOL (IBT)

Beginning with Direct Loans associated with the 2021-22 Award Year:

- Require **student and parent borrower** to view/acknowledge current amount owed in Federal student loans
- Must be completed prior to school making 1<sup>st</sup> disbursement of the 1<sup>st</sup> Direct Loan that a student or parent borrower received for each new award year
- Available at [StudentAid.gov](https://StudentAid.gov)



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**ANNUAL STUDENT LOAN ACKNOWLEDGEMENT**  
FORMERLY THE INFORMED BORROWER TOOL (IBT)

- Borrowers will see a user-friendly interface to view cumulative loan balance and repayment obligation
  - Different views for first-time borrowers vs. returning federal loan borrowers
- For new borrowers, Annual Student Loan Acknowledgement is **in addition to** MPN and loan counseling processes
- For more information about COD operational impacts and contact information, please see the March 27, 2020 and April 21, 2020 Electronic Announcements

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**CYBERSECURITY REQUIREMENTS**  
FEBRUARY 28, 2020 – ELECTRONIC ANNOUNCEMENT

- Enforcement of Cybersecurity Requirements under the Gramm-Leach-Bliley Act (GLBA)
  - All institutions agree to comply under Program Participation Agreement (PPA)
- Auditors are expected to evaluate three information safeguard requirements of GLBA in audits of postsecondary institutions or third-party servicers
- Findings related to GLBA are referred to the Federal Trade Commission (FTC) and FSA's Postsecondary Institution Cybersecurity Team
  - Questions: [fsaschoolcybersafety@ed.gov](mailto:fsaschoolcybersafety@ed.gov) or 202-245-6550

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Federal Student Aid

# FSA TRAINING RESOURCES



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Federal Student Aid

## ADDITIONAL CONTACT INFORMATION

[CODSupport@ed.gov](mailto:CODSupport@ed.gov); 800-848-0978

- Questions related to the Common Origination and Disbursement (COD) System, the Campus-Based programs, or Iraq and Afghanistan Service Grant, Pell Grant, TEACH Grant, and Direct Loan processing

[nslds@ed.gov](mailto:nslds@ed.gov); 800-999-8219

- Questions related to NSLDS functions such as student eligibility, overpayments, loan history, and enrollment reporting

[CPSSAIG@ed.gov](mailto:CPSSAIG@ed.gov); 800-330-5947

- Questions related to the Central Processing System (CPS), the Student Aid Internet Gateway (SAIG), FAA Access to CPS Online, and assistance with software products such as EDconnect and EDExpress

[edcaps.user@ed.gov](mailto:edcaps.user@ed.gov); 888-336-8930

- Questions related to G5, the Department of Education's electronic system for grants management and payments

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Federal Student Aid

## FEDERAL STUDENT AID E-TRAINING

<https://fsatraining.ed.gov>

FAA Tool kit  
Now Available

[GO TO TOOL KIT](#)



**HELP CENTER**  
Navigation - Information - Course Help

**FUNDAMENTALS TRAINING SERIES**  
Coach Fundamentals and Workshops

**NAVIGATING THIS WEBSITE**  
On-Screen Tours

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## RESOURCES – FAA TOOLKIT

<https://fsatraining.ed.gov/course/view.php?id=277>

<ul style="list-style-type: none"><li>Information for Financial Aid Professional (IFAP)</li><li>The Federal Student Aid (FSA) Handbook</li><li>Application Processing Guides</li><li>Operational Guides</li><li>Technical References</li><li>The Higher Education Act (HEA)</li><li>Code of Federal Regulations (CFR)</li><li>In a Nutshell: Negotiated Rulemaking</li><li>Federal Registers</li><li>Dear Colleague Letters (DCL)</li><li>Electronic Announcements</li><li>Program Integrity Q&amp;As</li></ul>	<ul style="list-style-type: none"><li>Other Published Guidance from ED</li><li>FAA Access to CPS Online</li><li>Common Origination and Disbursement (COD) System</li><li>National Student Loan Data System (NSLDS)</li><li>Other Web-based Systems and Software</li><li>Web-based Resources</li><li>Contact Information for ED and Other Federal Resources</li><li>FSA Assessments</li><li>Tools for Building Policies and Procedures</li><li>Direct Loan Tools</li><li>Preparing for Audits and Program Reviews</li></ul>
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Must be logged in to fsatraining.ed.gov use the FAA Tool Kit

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Federal Student Aid

## ASK A FED

- The AskAFed email box is staffed by FSA training professionals every business day during normal business hours
- AskAFed can help with policy guidance inquiries related to Title IV administration
- The address is [AskAFed@ed.gov](mailto:AskAFed@ed.gov)



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Federal Student Aid

## TRAINING FEEDBACK

- To ensure quality training, we ask all participants to please fill out an online session evaluation
- At the conclusion of the conference, all attendees will receive an email with a link to an electronic evaluation that we ask you to complete
- This feedback tool informs FSA of areas for improvement in our training presentations and offers an effective process for “listening” to our school partners

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