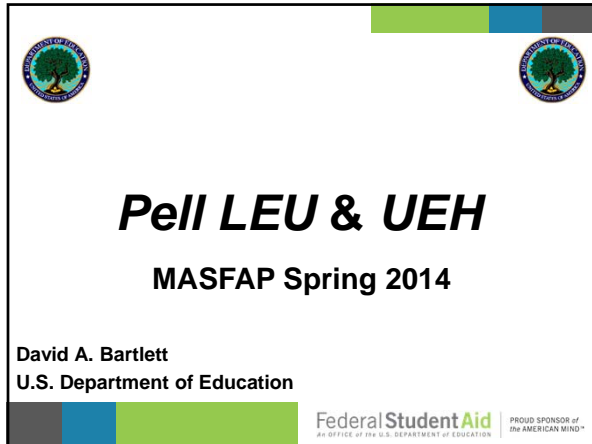


Pell LEU & UEH

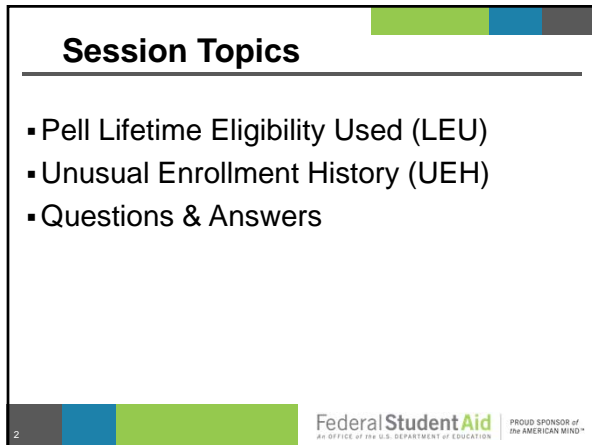


Pell LEU & UEH
MASFAP Spring 2014

David A. Bartlett
 U.S. Department of Education

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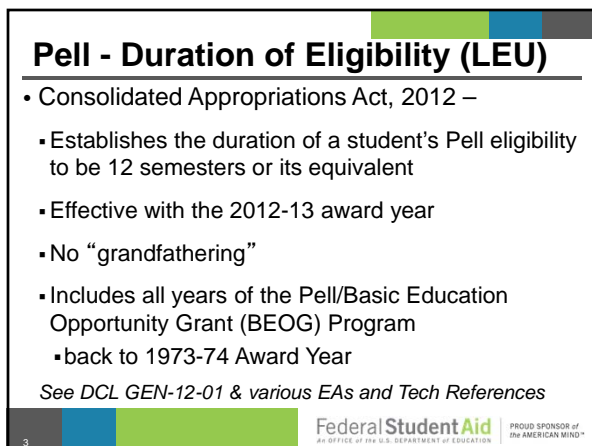


Session Topics

- Pell Lifetime Eligibility Used (LEU)
- Unusual Enrollment History (UEH)
- Questions & Answers

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Pell - Duration of Eligibility (LEU)

- Consolidated Appropriations Act, 2012 –
 - Establishes the duration of a student’s Pell eligibility to be 12 semesters or its equivalent
 - Effective with the 2012-13 award year
 - No “grandfathering”
 - Includes all years of the Pell/Basic Education Opportunity Grant (BEOG) Program
 - back to 1973-74 Award Year

See DCL GEN-12-01 & various EAs and Tech References

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Pell - Duration of Eligibility

- COD release on June 27/28 included *hard rejects for actual disbursements over 600%*
 - Edits for 12/13 and beyond
- Cannot exceed 600%
 - COD reaching out to those schools that may have overpaid with 12/13 or 13/14 disbursements >600% through email campaign

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Pell - Duration of Eligibility (GEN-13-14)

- Provided several basic examples of how to calculate a student's eligibility for Pell Grant awards and reduced Pell Grant awards
- COD calculates student LEU to the 3rd decimal point
 - Institutions may not round the three-decimals
 - Institutions should truncate at the cents place (e.g., \$1,233.567 truncated to \$1,233.56)
- If only award Pell Grants in whole dollars, the award must be truncated down to the next whole dollar (e.g., \$1,233.56 truncated to \$1,233)

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Pell - Duration of Eligibility

- **Scheduled Award** - based on percentage used of the:
 - Statutory maximum award amount for the year
 - Student's COA
 - Student's EFC
- Amount student would be eligible for if enrolled FT for a full academic year
- 2013-14 – **Maximum Award** is \$5,645
 - If EFC = 0, FT **Scheduled Award** is \$5,645
 - If EFC = 1,000, FT **Scheduled Award** is \$4,695

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Pell - Duration of Eligibility

- **Annual Award** = the amount of scheduled award received by the student based upon their enrollment status for a full academic year within an award year
- **Examples** of items that affect the award:
 - < FT attendance
 - Attendance < a full academic year
 - R2T4
 - etc.

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Pell - Duration of Eligibility

- Calculate the 12 semester equivalency (600%) by adding together each annual % of a student's scheduled award that was disbursed to the student
- Results in **Lifetime Eligibility Used (LEU)**
 - Once LEU reaches 600%, student no longer Pell eligible
 - If LEU >500% but <600%, partial eligibility for Pell

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Pell - Duration of Eligibility

- **Examples**
 1. A student with a Scheduled Award of \$5,645 receives \$2,822 because only enrolled FT for one semester
 - used 50% of that award year's scheduled award
 2. Student enrolled $\frac{3}{4}$ time for the entire award year would use 75% of his scheduled award


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Pell - Duration of Eligibility

- Examples
 - 3. A student has an LEU of 525%
 - Eligibility is for 75%
 - If FT in Fall and Spring, disburse:
 - 50% of the scheduled award in Fall
 - 25% of the scheduled award in Spring

 **– Do not take the amount of eligibility remaining and disburse ½ of remaining eligibility per term!**

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Calculating Reduced Awards

How to calculate a student's Pell Grant eligibility when the student has:

- LEU of 500% or Less:** A student with an LEU of 500% or less is eligible to receive up to 100 percent of the full Scheduled Award for the award year, since the student has at least 100% LEU remaining
- LEU of 600% or More:** A student whose Pell LEU is 600% or more may not receive additional Pell Grant funds
- LEU of Greater Than 500% But Less Than 600%:** A student with an LEU of greater than 500% but less than 600% is not eligible to receive a full Scheduled Award, but may receive a partial Pell Grant award of the difference between 600% and the student's LEU

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Calculating Reduced Awards

Scenario 1:
Student is full-time in a semester program and has 0 EFC and a \$5,645 scheduled award

Action:
Calculate student's Pell eligibility by subtracting the Pell LEU from the Pell LEU Report from 600.000%

- Report says 534.255%
- $600.000\% - 534.255\% = 65.745\%$
- $65.745\% \times \$5,645 = \$3,711.30525$ (\$3,711.30)
- First semester award = \$2,822.50
- Second semester award = \$888.80 or \$888.00 (do not round up)

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Pell LEU & UEH

Calculating Reduced Awards

Scenario 2:
Student is full-time in a semester program and has 525 EFC and a \$5,095 scheduled award

Action:
Calculate student's Pell eligibility by subtracting the Pell LEU from the Pell LEU Report from 600.000%

- Report lists LEU of 566.425%
- $600.000\% - 566.425\% = 33.575\%$
- $33.575\% \times \$5,095 = \$1,710.64$
- First payment period = \$1,710.64 or \$1,710
- Second payment period = \$ 0

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Calculating Reduced Awards

There is no de minimus award amount for purposes of determining a student's award because of the 600% LEU limitation.

- Even a student with a very small remaining LEU is eligible to receive the calculated amount of Pell Grant
- For example, a student with an EFC of 2550 and an LEU of 599.500% would be eligible for the remaining 0.500% which is \$15.475 truncated to \$15.47 or, if necessary, rounded down to \$15.00

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Liability for Exceeding the 600% LEU Max

Institutional

- If the LEU was >600% prior to the 2012-13 award year, no adjustment is necessary
- Institution may be liable for the overpayment if it had information at the time of disbursement that indicated that the student would exceed 600% LEU
- Institution does not report Pell Grant disbursement within the required 15 day timeframe may be liable for any overpayment that results from another institution disbursing Pell Grant funds with incomplete information because of the late reporting
- Rounding rules do not apply if the amount disbursed would place the student's LEU > 600.000%

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Liability for Exceeding the 600% LEU Max

Student

- Student is liable for the Pell Grant overpayment if the institution was compliant with all disbursement and reporting requirements
- Institution should follow the normal procedures for handling an overpayment:
 - Contact student and enter into satisfactory repayment arrangement
 - Refer to the Department for collection

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Pell LEU in COD

U.S. DEPARTMENT OF EDUCATION
COMMON ORIGINATOR & DISBURSEMENT

Person Search: Return No. 123456789
Person Pell Information
Award Date: 12/31/13
Award Amount: \$5,550.00

Lifetime Eligibility Used: 1414.036%

Full Pell LEU History

Year	Attending School	Eligibility Used	PDP Flag	PDP Start Date	PDP End Date	Award Amount Approved	Award Amount Disbursed	Scheduled Award Amount
Year '12-'13	COUNTY COMMUNITY COLLEGE	100.0000%				\$5,550.00	\$5,550.00	\$5,550.00
Total Personal Eligibility Used for '12-'13:		100.0000%				\$5,550.00	\$5,550.00	

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Pell LEU in COD

U.S. DEPARTMENT OF EDUCATION
COMMON ORIGINATOR & DISBURSEMENT

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Year	Attending School	Eligibility Used	PDP Flag	PDP Start Date	PDP End Date	Award Amount Approved	Award Amount Disbursed	Scheduled Award Amount
Year '12-'13	COUNTY COMMUNITY COLLEGE	100.0000%				\$5,550.00	\$5,550.00	\$5,550.00
Year '14-'15	COUNTY COMMUNITY COLLEGE	100.0000%				\$5,550.00	\$5,550.00	\$5,550.00
Total Personal Eligibility Used for '12-'13:		100.0000%				\$5,550.00	\$5,550.00	

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Pell LEU & UEH

Pell LEU on COD Reports

Utilize the 2013-2014 Pell LEU Report to identify Pell-eligible CPS applicants with LEUs > or = 450%.

- Includes students who listed the school's Federal School Code on their 2013-2014 FAFSA
- Generated weekly in an institution's SAIG mailbox
- CSV format so it can be easily imported and sorted

COD also provides the Pell LEU on these Pell Grant reports:

- Pell Grant Multiple Reporting Record (MRR)
- Pell Grant Reconciliation Report
- Pell Grant Year to Date File

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Pell – Accuracy Disputes

Electronic Announcement – June 27, 2013

- Outlines student, current school and former school requirements
- Current school coordinates resolution and former school must cooperate with current school
- If required to escalate - COD School Relations Center at 800/474-7268 or CODSupport@ed.gov
- ED will review and provide a Case Number
 - Provide final response making any necessary changes
 - New Pell LEU Adjustment section in Pell LEU History screen in COD

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Pell LEU Dispute Guidance

DCL 13-14 posted to IFAP on May 16, 2013
<http://www.ifap.ed.gov/dpccletters/GEN1314.html>

- Responsibility of the institution to advocate for the student in resolving Pell data discrepancy
- If the amount disputed would not, if corrected, provide additional Pell eligibility, the issue should not be escalated to the Department
- Current and prior schools need to work together to document the student's enrollment and receipt of Pell Grant funds for the disputed award year

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Pell LEU & UEH

Pell LEU Dispute Process

Spring 2014 changes to the Pell LEU Dispute Process


- COD System will further streamline the Pell LEU dispute process with the creation of a new COD web portal. Authorized users will be able to:
 - Create
 - View
 - Update
 - Upload all documentation
- Pell LEU History page will display the Pell LEU Dispute status



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Pell LEU Dispute Process


Pell LEU Dispute portal will allow schools to enter dispute information for Department of Education review



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Pell LEU Dispute Process

On the Pell LEU Dispute portal, the required dispute documentation should be uploaded to the COD web



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Pell LEU & UEH

CPS Enhancements

Pell Lifetime Eligibility Used (LEU)

- If a Pell LEU % is provided in NSLDS data from pre-screening, a SAR comment will be generated for Pell eligible transactions that includes the amount of eligibility used converted to the academic year equivalent
- If Pell LEU % = 0 or is blank, a SAR comment will be generated for Pell eligible transactions with general information about the Pell Grant limit

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Timely Reporting

Electronic Announcement posted on August 13, 2012
<http://ifap.ed.gov/eannouncements/081312PellGrantLifetimeEligibilityUsed.html>

- Reminds institutions of the importance of reporting Pell Grant disbursements AND adjustments

Federal Register posted February 28, 2013
<http://www.ifap.ed.gov/fregisters/FR022813.html>

- Reduced the timeframe for reporting disbursements (or disbursement adjustments) made on or after 4/1/13 for Federal Pell Grant disbursement records to no later than 15 days after making the disbursement or becoming aware of the need to adjust a student's previously reported disbursement.

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Declining a Pell Grant

Dear Colleague Letter, GEN-12-18

A student may:

- Decline all or a part of a Pell Grant award
- Return, during an award year, all or a part of a disbursement already made within the same award year

The student must provide a signed, written statement:

- Clearly indicating his/her decline/return of Pell Grant funds
- Acknowledges that funds may not be available at a later date

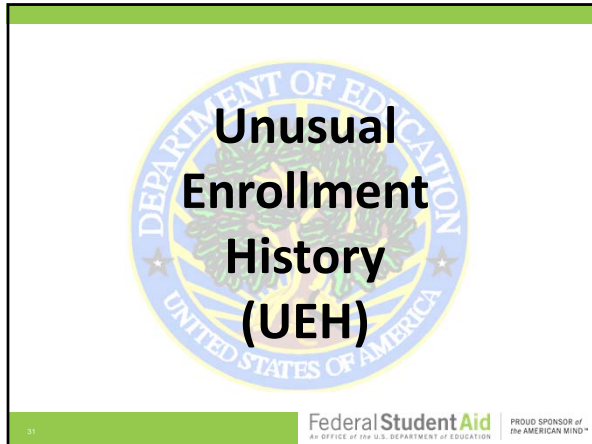
School must submit any required adjustment records for the student to the COD System

Note: An institution may not package need-based Title IV aid to compensate.

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Pell LEU & UEH



Unusual Enrollment Patterns	
Unusual Enrollment History (UEH)	
Who?	Pell-eligible applicants identified as having an "unusual" enrollment history (that may indicate a pattern of withdrawals just after receiving a credit balance)
What?	New C Code process and UEH Flag on SAR/ISIR In 2014-15, a 3 year review (2011-12, 2012-13, 2013-14)
Where?	Flag value determines action required by FAO
When?	Started in 13/14 and continuing with 2014-15 ISIR processing
Why?	To reduce fraud and waste in the Pell Grant program
How?	Guidance published in DCL GEN-13-09 - March 8, 2013

NSLDS Unusual Enrollment History Flag

NSLDS edits to identify records with unusual enrollment histories and sets a new NSLDS UEH flag

- Pre-Screening - UEH Flag:

Flag values:

- N
- Blank
- 2
- 3

```


XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
999-99-9999
CCYY-CCYY NSLDS FINANCIAL AID HISTORY                               Processed: MM/DD/CCYY
This page contains your previous financial aid information, which is contained in the
National Student Loan Data System (NSLDS). Your Financial Aid Administrator will use
it to determine your eligibility.
=====
#DisCharged #Fraud #Defaulted #Loan Est. #Active #Post Screening #TEACH
Loan Flag:Y Loan:Y Loan:Y #Overpayment:Y Bankruptcy:Y Reason: 99,99,99 Loan:Y
Unusual Enrollment History:Y #Overpayment: Contact: LEU & Lifetime Limit Flag
ACG:
Pell: X XXXXXXXXXXXXXXXX 9999,9999 X
N.SMART: X 99999999
TEACH: X 99999999
Iraq and Afghanistan Service Grant: X 99999999
FSEOG: X 99999999
Perkins:
=====
  
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Pell LEU & UEH

NSLDS UEH Flag Values			
NSLDS Unusual Enrollment History Flag	Description	SAR C Flag?	SAR Comment
2	Unusual Enrollment History 2 (Possible enrollment pattern problem, school must resolve)	Yes	359
3	Unusual Enrollment History 3 (Questionable enrollment pattern, school must resolve)	Yes	360
N	Enrollment pattern not unusual (No action required)	No	N/A
Blank	Record not sent for match	No	N/A


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SAR comments for UEH Flag #2		
Comment #	SAR Comment	School Action to include
359	Your school may request additional information to determine your eligibility for federal student aid. Note: This comment will generate a SAR C flag as already documented.	Resolution required. The institution must review the student's enrollment and financial aid records to determine if, during the 2010-2011, 2011-2012, and 2012-2013 award years, the student received a Pell Grant at the institution that is performing the review. If so, no additional action is required. If not, using information from the National Student Loan Data System (NSLDS), the institution must identify all institutions where the student received a Pell Grant for the 2010-2011, 2011-2012, and 2012-2013 award years and determine whether academic credit was earned at each institution during the award year for which the student received a Pell Grant. Based on those determinations, discussions with the student may be necessary. See DCL GEN-13-09.

SAR comments for UEH Flag #3		
Comment #	SAR Comment	School Action to include
360	Based upon data provided by the National Student Loan Data System (NSLDS), your school will request additional information to determine your eligibility for federal student aid and before disbursement of funds can be made." Note: This comment will generate a SAR C flag as already documented.	Resolution required. Using information from the National Student Loan Data System (NSLDS), the institution must identify all institutions where the student received a Pell Grant for the 2010-2011, 2011-2012, and 2012-2013 award years and determine whether academic credit was earned at each institution during the award year for which the student received a Pell Grant. Based on those determinations, discussions with the student may be necessary. See Dear Colleague letter GEN-13-09.


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NSLDS Unusual Enrollment History Flag

Post-Screening Reason Code:


- CPS will system-generate a new transaction with Reason Code 24 for records that have a change in the NSLDS UEH Flag value after the initial pre-screening
- The new transaction will include the new value for the NSLDS UEH Flag and a SAR Comment or C Flag as appropriate

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UEH – Academic Credit Earned

Academic Credit Earned: Follow up


Characteristic:	School Action required:
If the institution determines that the student earned any academic credit at each of the previously attended institutions during the relevant award years...	No further action required...unless the institution has reason to believe that the student enrolls just to receive the credit balance
If the school believes the student enrolls just to receive a credit balance...	Obtain additional information from the student as outlined in <i>Academic Credit Not Earned</i>
If it is determined that academic credit was not earned at one or more of the previously attended institutions...	Follow guidance for <i>Academic Credit Not Earned</i>

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UEH – Academic Credit Not Earned


Academic Credit Not Earned: Follow up


Characteristic:	School Action required:
If the student did not earn academic credit at a previously attended institution and, if applicable, at the institution performing the review...	Obtain documentation from the student explaining why no academic credit was earned and determine whether the documentation supports: (1) the student's reasons for earning no academic credit; and (2) that the student did not enroll only to receive credit balance funds.


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UEH – Academic Credit Not Earned	
Academic Credit Not Earned: Follow up	
Characteristic:	School Action required:
Personal reasons	<ul style="list-style-type: none"> • Illness • Family emergency • Relocation • Military obligation
Academic reasons	<ul style="list-style-type: none"> • Unexpected difficulty in a program • Program was not what was expected
*Obtain 3 rd party documentation when possible	
	

UEH – Academic Credit Not Earned	
Institutional Determination:	
<ul style="list-style-type: none"> • Similar to Professional Judgment (PJ), the FAA determines whether the circumstances of the failure of the student to receive academic credit, based on academic records and other documentation, support the continuation of Title IV aid eligibility • Decisions: <ul style="list-style-type: none"> – are final – are not appealable to ED – must be documented with the reasons for the decision (maintain for possible review) 	
	

UEH – Academic Credit Not Earned	
Decision on Continued Eligibility	
Characteristic:	School Action required:
Institution approves the student's continued eligibility	FAA may require an academic plan, similar to an academic plan used for SAP appeals
Institution denies the student's continued eligibility	<ul style="list-style-type: none"> • Deny Title IV aid • Explain to student • Offer the student an opportunity to ask questions and <i>appeal</i>
	


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UEH – Academic Credit Not Earned

Regaining Aid Eligibility

Characteristic:	School Action required:
Institution denies the student's continued eligibility	Provide student with info. on how to subsequently regain aid eligibility (successful completion of academic credit and meeting the conditions of an academic plan, if required by the school); eligibility is back to the beginning of the payment period for Pell & CB programs (following the payment period of ineligibility) and back to the beginning of the enrollment (loan) period for DL


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UEH – Denial of Aid

Authority to Deny Aid

Section 484(a)(4)(A) of the HEA of 1965 (as amended) and 34 CFR 668.32(h) requires the student to sign a Statement of Educational Purpose.


By signing this statement, on the FAFSA, the student certified that he or she would use Title IV aid received only to meet educational expenses.

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Communications - UEH

- *DCL GEN-13-09 (March 8, 2013)*
- *The ISIR Guide – 2014-2015 (Oct. 23, 2013)*
- *The 2014-2015 SAR Comment Codes and Text document (November 22, 2013)*
- *The Summary of Changes for the Application Processing System: 2013-2014 (Nov. 8, 2012)*

▪ *Date listed is the date posted to IFAP*


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QUESTIONS?

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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/DavidBartlett>
 - Evaluation form is specific to David Bartlett
- 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 concerns about training can be directed to joann.borel@ed.gov

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