

**Federal Update**

Kim Wells | December 2016  
U.S. Department of Education  
MASFAP Conference

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**Agenda**

Processing Update      Dear Colleague Letters/Electronic Announcements

Upcoming Training

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**Processing Update**



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### 2017-18 Enhanced Messaging - FOTW

- Issue: Students are confused about which FAFSA to complete when two cycles are active and the student has not completed a FAFSA for either year
- Solution: Messaging on “Get Started” page enhanced for clarity

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### 2017-18 Enhanced Messaging - FOTW

- Issue: Students and parents might not be sure which tax year data to report on financial information pages
- Solution: Applicants and parents are instructed to provide financial information from their 2015 tax return

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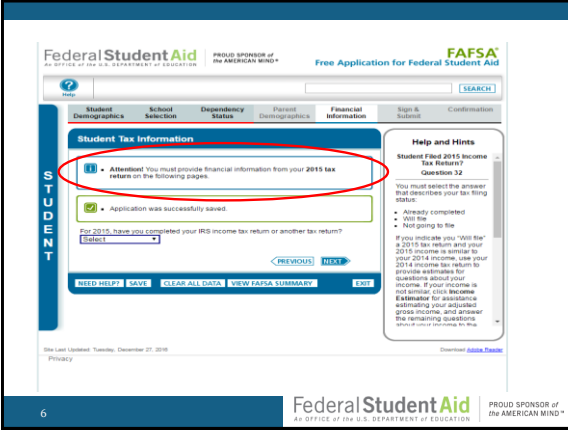
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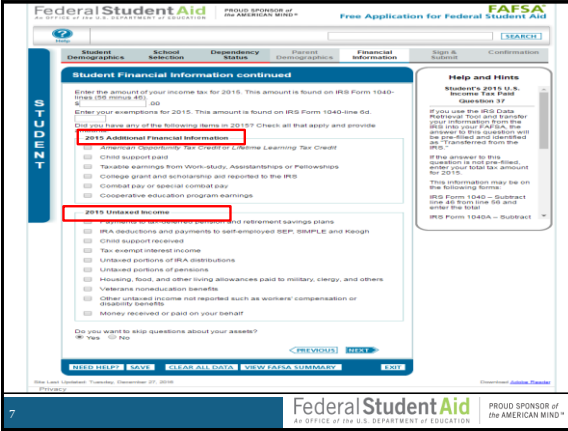
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### 2017-18 Enhanced Messaging - FOTW

- **Issue:** There will be larger population of applicants and parents for whom income tax return won't provide correct information due to recent marital status change
- **Solution:** Messaging and help text have been added

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### 2017-18 IRS DRT Enhancements

- **Issue:** Filtering questions don't align with collection of prior-prior year tax information
- **Solution:** Filtering questions have been modified

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The screenshot shows the 'Student Tax Information' section of the FAFSA application. A red arrow points to the question: "Did you file a Form 1040X amended tax return for 2015?". Other questions include "For 2015, have you completed your IRS income tax return or another tax return?" and "Did you file a Puerto Rican or foreign tax return for 2015?".

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### 2017-18 IRS DRT Enhancements

- **Issue:** Applicants who are eligible to use the IRS DRT are not using it
- **Solution:** Eligible applicants can only advance through FOTW if they use IRS DRT or actively opt out of using IRS DRT

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### Other 2017-18 FAFSA Changes

- Will no longer print FAFSA as color packet
  - More than 99 percent of FAFSAs are filed electronically
  - PDF FAFSA available online to be printed
  - Call 1-800-4FEDAID to request copy
- Medicaid added as federal means-tested benefit

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### Recent DCLs and Electronic Announcements



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### GEN-16-19: 2017-18 Pell Grant Payment & Disbursement Schedules

- Maximum Pell = \$5,920
- Increase of \$105 from 2016-17 award year
- Maximum Pell Grant eligible EFC = 5328
- Minimum scheduled award = \$596



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**GEN-16-18: Revision of Income-Drive Repayment Plan Request Form**

- Questions for married borrowers revised to allow individuals who most recently filed joint federal income tax return with spouse to indicate separated from spouse and cannot reasonably access spouse's income information

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**GEN-16-18: Revision of Income-Drive Repayment Plan Request Form**

- Borrowers who wish to change from IBR to different income-driven repayment plan
  - Section 6 revised to incorporate an automatic request for one-month reduced-payment forbearance in amount of borrower's current monthly IBR payment or \$5, whichever is greater (unless the borrower requests a different amount or declines the reduced-payment forbearance)

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**GEN-16-18**

- Implementation/Transition
  - Beginning 01/01/17, only revised form may be provided to borrowers
  - ED-held loans with federal servicers began using new form on 10/30/16
  - Previous version will be accepted and processed through 01/31/17

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**GEN-16-17: Campus Policing**

- Guidance on Campus Policing, Clery Act Disclosures and Related Civil Rights Obligations
  - Highlights legal responsibilities schools have to address issues
  - Shares resources to help schools meet obligations
  - Provides links to
    - President’s Task Force on 21st Century Policing
    - Updated Handbook for Campus Safety and Security Reporting

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**GEN-16-16: Institutional Reporting of Fee Information**

- Provides guidance about complying with new provisions requiring schools to publicly disclose information about costs incurred by students who elect to use a financial account offered under a T1 or T2 arrangement

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**GEN-16-16: Institutional Reporting of Fee Information**

- Posting accountholder and fee data
  - Beginning 09/01/17 school must provide fee information on same web page where financial account provider’s full contract is disclosed

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**GEN-16-16: Institutional Reporting of Fee Information**

- School must disclose
  - Total consideration paid or received by parties under contract
  - For any year in which enrolled students open 30 or more accounts
    - Number of students with financial accounts under contract at any time during most recently completed award year
    - Mean and median costs incurred by those student accountholders (options provided for calculating cost disclosure information)

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**GEN-16-15: 3<sup>rd</sup> Party Servicer Q & As**

- Over 20 Q&As on 3<sup>rd</sup> party servicers
  - Key definitions, including chart with examples of functions and services that are/are not considered 3<sup>rd</sup> party servicing
  - Servicers cannot be located outside U.S. or owned by non-U.S. citizens/nationals or permanent residents
  - What constitutes working on behalf of a school
  - Compensation not required to be considered 3<sup>rd</sup> party servicer

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**GEN-16-15: 3<sup>rd</sup> Party Servicer Q & As**

- Over 20 Q&As on 3<sup>rd</sup> party servicers
  - Written contracts between school and 3<sup>rd</sup> party servicers required
  - 3<sup>rd</sup> party servicer contract requirements and restrictions
  - Notification requirements to ED
  - Data protection requirements (PII)
  - 3<sup>rd</sup> party servicer audit and audit letter requirements and timeframes

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**GEN-16-12 & 15-18: Protecting Student Information**

- Reminds schools and 3<sup>rd</sup> party servicers of obligations to
  - protect data used in all aspects of administering Title IV aid
  - ensure all FSA applicant information is protected from unauthorized access/disclosure according to state and federal laws including Gramm-Leach-Bliley Act (GLBA)
- Provides list of industry standards and best practices

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**GEN-16-12 & 15-18: Protecting Student Information**

- SAIG Agreement includes provision in event of unauthorized disclosure or actual or suspected breach of applicant information or sensitive information (PII), school must immediately notify FSA at [CPSSAIG@ed.gov](mailto:CPSSAIG@ed.gov)

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**Electronic Announcements**

- 11/22/16 – 2017-18 Application & Verification Guide
- 11/22/16 – Updated NSLDS Enrollment Reporting Guide
- 11/18/16 – Information about designation as Title III or Title V school and waiver requests of non-federal share requirement for campus-based programs for 2017-18 award year
- 11/18/16 – Institutional system delay in resolving comment code 399

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**Electronic Announcements**

- 11/18/16 – Reminder to report V4 & V5 verification results
- 11/14/16 – 2017-18 Shopping Sheet
- 11/07/16 – Program Integrity Q & A Update
  - VER-Q7/A7
  - VER-Q11/A11
  - DOC-Q7/A7
  - DOC-Q18/A18

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**Electronic Announcements**

- 10/18/16 – Acceptable documentation update for 2016-17 verification
  - ❖ Guidance applies ONLY to 2016-17 award year
    - signed paper copy of 2015 IRS tax return may be provided by tax filer as "acceptable documentation" for income and other tax related verification information if tax filer recently requested but was unsuccessful in obtaining tax transcript

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**Electronic Announcements**

- Required alternative documentation
  - ❖ Signed copy of relevant 2015 IRS tax return that was filed with IRS
  - ❖ Statement from tax filer on or attached to return certifying that tax return submitted to school includes same information as submitted to IRS
  - ❖ Documentation of unsuccessful tax transcript request
    - If requested using Get Transcript Online, signed dated copy of screen shot from official IRS web page displaying message indicating tax transcript request was unsuccessful
    - If requested using Form 4506T-EZ or Form 4506-T, copy of IRS response mailed to tax filer stating IRS could not provide transcript
      - Copy of IRS response must signed and dated by tax filer
  - ❖ Completed and signed IRS Form 4506T-EZ or Form 4506-T
    - Line 5 should include school as third party to whom IRS should mail transcript

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### Quick Takes Videos

- FSA-related topics that can be completed in about 15 minutes
- Several topics now available
  - ❖ Finding Federal training resources
  - ❖ Conflicting information
  - ❖ Paper secondary confirmation
  - ❖ Professional judgment
  - ❖ Basics in FSA Parts I, II and III



Available now on [fsatraining.info](http://fsatraining.info)

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### Questions



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### ED Contacts

**Research and Customer Care Center**  
800.433.7327  
[fsa.customer.support@ed.gov](mailto:fsa.customer.support@ed.gov)

**Reach FSA**  
855.FSA.4FAA – 1 number to reach 10 contact centers!

Campus-Based Call Center	eZ-Audit
COD	School Eligibility Services Group
CPS/SAIG	Foreign Schools Participation Division
NSLDS	Research and Customer Care Center
G5	Nelnet Total & Permanent Disability

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### Contacts

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### Training Feedback

To improve our training, we ask all participants to complete an online session evaluation

- Go to <https://www.surveymonkey.com/r/KimberlyWells>
- Additional feedback about training can be directed to [joann.borel@ed.gov](mailto:joann.borel@ed.gov)

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# Thank You

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