FEBRUARY 2015 NEWSLETTER

This is a very busy time of year with so many deadlines as well as processing for multiple award years. Gainful Employment Disclosures should be published to your website by now as that deadline was January 31st. IPEDs reporting closes mid-February and the USDE has released the Net Price Calculator template that you must have posted on your website in the near future.

DJA is committed to educating our clients on keeping in compliance with USDE regulations. This newsletter contains multiple links to the IFAP website and other resources you will need to navigate the ever-changing landscape of financial aid. In addition, our monthly webinars and yearly training will keep you fluent in current requirements. Please visit our website at www.gotodja.com if you are interested in learning more about how DJA services can benefit your institution.

Thank you and until next time, have fun!
Deborah John, President

IN THIS ISSUE:

- Net Price Calculator
- PLUS Loan Regulations
- 2015/2016 Pell Disbursement Schedule
- Campus-Based Programs
- Pell Grant Reconciliation
- FERPA
- DJA Calendar

UPDATED NET PRICE CALCULATOR TEMPLATE

Each institution of higher education that receives funds under the Title IV federal student aid programs must post a net price calculator on its website to provide estimated net price information to current and prospective students. This calculator allows students to calculate an estimated net price of attendance at your school (defined as cost of attendance minus grant and scholarship aid) based on what similar students paid in a previous year. The net price calculator is required for Title IV institutions that enroll full-time, first-time degree- or certificate-seeking undergraduate students.

Institutions may meet this requirement by using the U.S. Department of Education's (the Department) Net Price Calculator template or by developing their own customized calculator that includes, at a minimum, the same elements as the
Department's template. The latest version of the Department's Net Price Calculator template, which reflects data from the 2013-2014 award year, was recently released and is available at the Department's Net Price Calculator Information Center (http://nces.ed.gov/ipeds/resource/net_price_calculator.asp). In addition to the template, you will find a wide-range of resources on this website including general information, help files, and frequently asked questions related to both the net price calculator requirement and the U.S. Department of Education’s Net Price Calculator template.

For additional assistance with the net price calculator requirement and/or the Department’s template, please contact:

The Net Price Calculator Help Desk
(877) 299-3593 (toll-free)
npc@inovas.net

IMPLEMENTATION – PLUS LOAN ADVERSE CREDIT HISTORY REGULATIONS

New Direct PLUS Loan adverse credit history regulations will be implemented on March 29, 2015. The new standards and procedures relating to adverse credit history will apply to all PLUS Loan credit checks conducted on or after March 29, 2015, regardless of the loan period of the PLUS Loan or which Common Origination and Disbursement (COD) System version is used by an institution to originate the PLUS Loan.

Beginning on March 29, 2015:

1) For any PLUS Loan credit check conducted on or after March 29, 2015, an applicant will be determined to have an adverse credit history if the total combined outstanding balance of the debts, including debts in collection or charged off during the two years preceding the date of the credit report, is greater than $2,085.

2) Special loan counseling will be required for any PLUS Loan applicant who has an adverse credit history but who qualifies for a PLUS Loan through the process for reconsideration due to extenuating circumstances or by obtaining an endorser for the loan. While the counseling is mandatory only for these borrowers, the Department will offer voluntary counseling for all PLUS Loan borrowers. Note that this special PLUS Loan counseling is separate and distinct from the PLUS Loan entrance counseling that all graduate and professional student PLUS Loan borrowers must complete.

3) USDE will modify its procedures so that a credit check for a PLUS Loan applicant will remain valid for 180 days, instead of the current 90 days.

An applicant who was denied a PLUS Loan because of an adverse credit history determination made prior to March 29, 2015, may have another credit check performed under the new standards by completing a Direct PLUS Loan Request on the StudentLoans.gov website, or by submitting a request to the postsecondary institution the student is or will be attending.
If applicants receive an adverse credit history determination through the new credit check process, they can either obtain an endorser or request reconsideration through the extenuating circumstances process. In either case, applicants will be required to complete the special PLUS Loan Counseling on the Department’s StudentLoans.gov website.

http://www.ifap.ed.gov/eannouncements/012715EarlyImplemofChangesinRegsAdvCreditHistoryUnderDirectPPLUSLoanPrgm.html

---

**2015-2016 FEDERAL PELL GRANT PAYMENT AND DISBURSEMENT SCHEDULES**

USDE has released both PDF and Excel versions of the Payment and Disbursement Schedules for determining Federal Pell Grant awards for the 2015-2016 for full-time, three-quarter-time, half-time, and less-than-half-time students. All 2015-2016 Federal Pell Grant awards must be based on these schedules, with the exception of students enrolled in an eligible career pathway program as discussed below.

**The 2015-2016 maximum Pell Grant award is $5,775.** This is an increase of $45 from the $5,730 maximum Pell Grant award for the 2014-2015 Award Year. The corresponding maximum Pell Grant eligible expected family contribution (EFC) for 2015-2016 will be 5198. The minimum scheduled award amount is $588.

As a reminder, in using the attached schedules for awarding a Federal Pell Grant to a student, the full nine-month EFC must always be used regardless of the actual enrollment status or actual period of attendance of the student. Also, the COA to be used is always based on the costs for a full-time student for a full academic year, regardless of the actual enrollment status or actual time the student will be enrolled during the award year. It is important to note, however, that the statutory restrictions of using only certain cost components in constructing a COA in some circumstances still apply. For example, for a less-than-half-time student, the COA includes only cost components for tuition and fees, books, supplies, transportation, room and board for a limited time period, and dependent care expenses. For more information on these COA restrictions please refer to Volume 3, Chapter 2 of the Federal Student Aid Handbook.

Keep in mind that a student’s eligibility to receive a Federal Pell Grant award may be limited by the regulation that sets a lifetime Pell Grant eligibility limit of 12 semesters (or its equivalent). Institutions should review previously posted information on Pell Grant eligibility determinations and the 600% Lifetime Eligibility Used (LEU) limit posted on IFAP Web site. For additional information on the LEU limitation see Dear Colleague Letter GEN-13-14 and Volume 3, Chapter 3 of the Federal Student Aid Handbook.

**Eligible Career Pathway Programs**

Pub. Law 113-235 includes a provision that reinstates the ability of a student who does not have a high school diploma (or its recognized equivalent) or completed a secondary education in a home-school setting to be eligible for Title IV student aid through the traditional "ability to benefit" options (i.e. passing an ATB test approved by the Secretary, completing at least 6 credit hours at an eligible institution, etc.). However, this provision only applies to students who are enrolled in an "eligible career pathway program”. Additionally, the
law provides for alternate maximum and minimum Pell Grant award amounts for students enrolled in such programs. USDE will provide more information on eligible career pathway programs in a subsequent communication which will include separate Pell Grant Program Payment and Disbursement Schedules.


Changes to the Central Processing System (CPS), the ISIR Analysis Tool, the Common Origination and Disbursement (COD) System, and the EDExpress for Windows software modifications that reflect the 2015-2016 payment and disbursement schedules are forthcoming. Watch for this information in future electronic announcements posted to the IFAP website.

---

**TENTATIVE 2015-2016 FUNDING LEVELS FOR THE CAMPUS-BASED PROGRAMS**

Tentative funding levels and corresponding worksheets for the Campus-Based Programs for the 2015-2016 Award Year (July 1, 2015 through June 30, 2016) have been posted to the eCampus-Based web site.

To access the worksheets:

- Log in to the eCB Web site
- Select the "Self-Service" link from the top navigation bar
- Scroll to the "Campus-Based Notifications for All Available Award Years" section
- Scroll to the "Tentative Funding Levels" bullet
- Select the "2015-2016" link

Please review your school's worksheets carefully (especially if your school recently completed a change of affiliation/merger) and immediately notify the Campus-Based Call Center at the number below if data in the worksheets are not correct.

Final awards for the 2015-2016 Award Year are expected to be posted to the eCB Web site by April 1, 2015.

**Additional Locations Not Eligible as of October 1, 2014 Must Be Eligible by March 2, 2015**

Schools were permitted to include data in the application portion of the FISAP for students enrolled in additional locations that had not yet received eligibility determinations by the October 1, 2014 FISAP submission date. If a school does not receive an eligibility letter and Program Participation Agreement from the Department by March 2, 2015 for the newly listed locations, it must submit revised FISAP data using the eCB Web site no later than March 6, 2015. The school's revision must remove all data pertaining to students enrolled at the ineligible locations.

Please see the USDE electronic announcement posted 1/23/15 to the IFAP website for an explanation of the calculation of the tentative funding level in the worksheet for each of the Campus-Based Programs.
DEADLINE FOR 2015-2016 UNDERUSE PENALTY WAIVER FOR THE CAMPUS-BASED PROGRAMS IS FEBRUARY 9, 2015

If a school returns more than 10 percent of its Federal Supplemental Educational Opportunity Grant (FSEOG) or Federal Work-Study (FWS) allocations in a given award year, the allocation for the second succeeding award year is reduced by the dollar amount returned. However, your school can request a waiver to this provision. The deadline to request a waiver of the 2015-2016 Award Year penalty of FWS and FSEOG for the underuse of 2013-2014 Award Year funds is **February 9, 2015**.

A school can determine if it is subject to an underuse penalty by reviewing its most recent FISAP or Campus-Based Tentative Funding Worksheet for 2015-2016. You may submit an underuse penalty waiver request if you are able to explain that the underuse was due to circumstances beyond your control and why those circumstances are not expected to recur.

The request and justification for the waiver of the underuse penalty must be submitted **electronically** by 11:59 P.M. (ET) on February 9, 2015. The transmission must be completed and accepted by 12:00 midnight to meet the deadline. **Paper waiver request submissions will not be accepted.**

**How to determine if there is an Underuse Penalty based on the Tentative Funding Worksheets**

The Campus-Based Tentative Funding Worksheets for 2015-2016 have been posted to the **eCampus-Based (eCB) Web site**. If a school failed to expend more than 90 percent of its 2013-2014 program allocation(s), the underuse penalty will be applied to the tentative 2015-2016 award allocations.

Schools may access their Tentative Funding Level worksheets from the eCB Web site “Self-Service page” under the “Campus-Based Notifications” section. The percentage of underused FSEOG funds is shown in the FSEOG Tentative Funding worksheet at **Item 32. Underused Percentage**, and the tentative FSEOG Allocation Reduction amount is shown at **Item 33. Allocation Reduction**. The percentage of underused FWS funds is shown in the FWS Tentative Funding worksheet at **Item 35. Underused Percentage**, and the tentative FWS Allocation Reduction amount is shown at **Item 36. Allocation Reduction**. The full explanation of all the fields in the Tentative Funding worksheet will be provided in an attachment to a forthcoming Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site.

**How to Request an Underuse Penalty Waiver**

A school may request a waiver of the underuse penalties for one or both of the FSEOG and FWS programs:

- Access the school's submitted FISAP on the **eCB Web site**.
- Select the "yes" button in Part II, Section C, Field 6.
- Click on "Submit" at the bottom of the menu on the left side of the screen.
- Select "Submit Waiver" from the drop down list.
- In the ‘Notes’ box:
  - Explain the circumstances that caused the underuse of the allocation.
  - Specify why those circumstances were beyond the school's control
  - Specify why those circumstances are not expected to recur and/or how the school plans to prevent future underuse.
  - Also indicate in this explanation that the entire underused portion of the allocation has been returned to the Department through G5.
- After entering the information, click the "Submit" button.
- When ready to submit the request, click "Continue to Submit." A message will be displayed indicating the request has been submitted.

**What Happens Next**

A panel of Department of Education staff members will review the penalty waiver requests and justifications and will notify the school in an e-mail to the institution’s Financial Aid Administrator whether the request has been granted or denied.

If the waiver request is granted, the 2013-2014 allocation will be reduced by the unused amount, but the underuse penalty will not be applied when final awards for 2015-2016 are made.

If the waiver request is denied, the 2013-2014 allocation will be reduced by the unused amount and the underuse penalty will be applied when final awards for 2015-2016 are made.


**DJA Clients:** We are in the process of reviewing the tentative funding levels for your school. You will be notified if the option for submitting an underuse waiver may apply and we will work with you to submit it on your behalf.

**FEDERAL PELL GRANT PROGRAM RECONCILIATION**

Pell Grant Reconciliation is the process by which a school reviews and compares Pell Grant data recorded on the USDE systems with the information in the school’s internal records. This process should be performed on a regular basis, and is recommended at least monthly.

There are two types of reconciliation, which can be performed separately or simultaneously during the month, including:
• **Internal Reconciliation**

This is the reconciliation of disbursement transactions (actual disbursements and adjustments) and related cash transactions (Drawdowns, Drawdown Adjustments, Refunds of Cash, and Returns) between your Business Office records and Financial Aid system. If discrepancies are found, your school should document these and resolve them in a timely manner.

• **External Reconciliation**

This is the reconciliation of internal disbursement and cash balances from the Business Office and Financial Aid Office with disbursement and cash balances from the Common Origination and Disbursement (COD) System. At a minimum, this reconciliation should be completed at least monthly to ensure that data is correct in all systems and that cash management and disbursement reporting timelines are being met. If you have completed your internal reconciliation first, your school will have fewer discrepancies to resolve when you perform this external reconciliation. The Department offers various tools to assist you with external reconciliation.

It is very important for schools to maintain good communication between the Business Office and the Financial Aid Office to successfully reconcile both internally and externally. Reconciliation is a shared responsibility. It requires joint action by the financial aid and business office to identify discrepancies and any missing data, and to correct these in a timely manner.

Schools should document their reconciliation process and the resolution of any identified discrepancies.

**Final Reconciliation of a Pell Grant Award Year**

In addition to regular monthly reconciliation of Pell Grant data, a final reconciliation should be performed as soon as possible after final scheduled disbursements have been made for the award year. This final reconciliation should ensure that all data is correct, and that Total Net Drawdowns equal Net Accepted and Posted Disbursements in the COD System (Cash > NAPD balances should equal $0.00). This process must be performed within the applicable data submission deadline (defined below), as well as immediately following processing of any additional data by the school (for example, eligible late disbursements or disbursement adjustments made within regulatory timeframes, but which occur after the data submission deadline). There are two deadlines which impact this process:

• **Data Submission Deadline** – The data submission deadline is published annually in a Federal Register Notice. It is generally the end of September following the end of the award year. For example, the 2014-2015 Award Year will close on September 30, 2015. After this date, the COD System will not accept upward awards or disbursement adjustments without prior approval for an extension to the established data submission deadlines (downward adjustments will continue to be accepted). If your school needs to request an extension to the data submission deadline, this request may be submitted via the COD Web site at https://cod.ed.gov.

• **Funding Cancellation Deadline** – Pell Grant funding availability is canceled five years after the data submission deadline for the award year. For example, for the 2009-2010 Federal Pell Grant Award Year
(July 1, 2009 - June 30, 2010), the funding cancellation date is September 30, 2015 [2010 + 5 = 2015]. After that time, schools will be unable to draw down or adjust further funds via G5 (although refunds of cash will still be accepted), and the COD System will be completely closed to any further award or disbursement processing for that award year. As such, schools must complete all final reconciliation activities well before this final deadline and in accordance with disbursement reporting timelines and the data submission deadline defined above.

For more information about reconciliation tools available to your school and Pell Grant Reconciliation Q&A, click on the link below.


DJA not only reconciles Pell Grant accounts for our clients on a monthly basis, we also reconcile Direct Loan, SEOG and FWS accounts each month to ensure they are balanced. The final reconciliation for these programs is done by our team as well. Although DJA reconciles the DL SAS reports; Pell Grant Year to Date reports; SEOG and FWS to our accounting records, institutions must do an internal reconciliation to these reports as well. Please reconcile that all disbursements have been credited to the student’s accounts and any credit balance was paid to the student within the required 14 day time frame.

2015-2016 FEDERAL SCHOOL CODE LIST OF PARTICIPATING SCHOOLS

The Federal School Code List is intended as a resource for anyone who is completing a Free Application for Federal Student Aid (FAFSA). When answering the college name and address questions on the FAFSA, students use the official Federal School Code and name found in this list to indicate which schools will receive the processed application results.

This Federal School Code (FSC) information must be kept current. To update your school’s information:

- Click on “Update your Federal School Code Addresses which are used by the FAFSA” on the left side of the page under the “Other Features” section

Note: A school can only have one city and state for each FSC. In addition, changes to the FSC File do not update your school’s name or address in any other U.S. Department of Education database. If you need to change the “Official Name or Address” of your school, you must submit an “Update” application through the E-App Web site.

**COMPLIANCE CORNER**

*Family Educational Rights and Privacy Act (FERPA)*

FERPA (Family Educational Rights and Privacy Act of 1974) is legislation that protects the privacy of students' personally identifiable information (PII). The act sets limits on the disclosure of personally identifiable information from school records and defines the rights of the student to review the records and request a change to the records. This legislation applies to all educational institutions that receive federal funds.

FERPA generally gives postsecondary students the right to review their education records, to seek to amend inaccurate information in their records, and to provide consent for the disclosure of their records.

These rules apply to all education records the school keeps, including admissions records (only if the student was admitted) and academic records, as well as any financial aid records pertaining to the student. Therefore, the financial aid office is not usually the office that develops the school’s FERPA policy or the notification to students and parents, although it may have some input.

A school is required to—

- annually notify students of their rights under FERPA. The Department of Education has posted a model notification on the Family Policy Compliance Office website at [http://www2.ed.gov/policy/gen/guid/fpco/index.html](http://www2.ed.gov/policy/gen/guid/fpco/index.html)
- include in that notification the procedure for exercising their rights to inspect and review education records; and
- maintain a record in a student’s file listing to whom personally identifiable information was disclosed and the legitimate interests the parties had in obtaining the information (does not apply to school officials with a legitimate educational interest or to directory information).

A student has the right to—

- inspect and review any education records pertaining to the student;
- request an amendment to his/her records; and
- consent to disclosure of personally identifiable information from education records, except when FERPA permits disclosure without consent.

A school must provide a student with an opportunity to review his or her education records within 45 days of the receipt of a request. Your school is also required to provide the student with copies of education records or make other arrangements to provide the student access to the records if a failure to do so would effectively prevent the student from obtaining access to the records. While the school may not charge a fee for retrieving the records, it may charge a reasonable fee for providing copies of the records, provided that the fee would not prevent access to the records.

While the rights under FERPA have transferred from a student’s parents to the student when the student attends a postsecondary institution, FERPA does permit a school to disclose a student’s education records to his or her parents if the student is a dependent student under IRS rules.
Note that the IRS definition of a dependent is quite different from that of a dependent student for FSA purposes. For IRS purposes, students are dependent if they are listed as dependents on their parent’s income tax returns. (If the student is a dependent as defined by the IRS, disclosure may be made to either parent, regardless of which parent claims the student as a dependent.)

Generally, schools must have written permission from the parent or eligible student in order to release any information from a student's education record. The written consent must state the purpose of the disclosure, specify the records that may be disclosed, identify the party or class of parties to whom the disclosure may be made, and be signed and dated. However, FERPA allows schools to disclose those records, without consent, to the following parties or under the following conditions (34 CFR § 99.31):

- School officials with legitimate educational interest;
- Other schools to which a student is transferring;
- Specified officials for audit or evaluation purposes;
- Appropriate parties in connection with financial aid to a student;
- Organizations conducting certain studies for or on behalf of the school;
- Accrediting organizations;
- To comply with a judicial order or lawfully issued subpoena;
- Appropriate officials in cases of health and safety emergencies; and
- State and local authorities, within a juvenile justice system, pursuant to specific State law.

Schools may disclose, without consent, "directory" information such as a student's name, address, telephone number, date and place of birth, honors and awards, and dates of attendance. However, schools must tell parents and eligible students about directory information and allow parents and eligible students a reasonable amount of time to request that the school not disclose directory information about them. Schools must notify parents and eligible students annually of their rights under FERPA. The actual means of notification (special letter, inclusion in orientation material, or student handbook, etc.) is left to the discretion of each school.

**DJА Calendar**

Monthly DJА Webinar: *Consumer Information*—Wednesday, February 4th at 11 a.m. CST

Special DJА Webinar: *2015/2016 Updates*—Wednesday, February 25th at 10 a.m. CST

Next Month’s DJА Webinar:
*Administrative Capabilities*—Wednesday, March 4th at 11 a.m. CST

**NOTE:** There may be a difference between DJА local time and your time zone. To determine your time zone equivalent, click on this link to view a time zone map: [http://www.worldtimezone.com/time-usa12.php](http://www.worldtimezone.com/time-usa12.php)

Webinars are free to clients. There is a $45 fee for all others who may be interested in joining us for these presentations. Invitations are automatically sent to all clients, however all other participants must register by sending an email to Kim Onderek at konderek@gotodja.com. After registering, you will receive the log-in information. Questions can be directed to Kim by email or by calling toll free at 1-800-242-0977.

### 2014 DJА Monthly Webinar Schedule

<table>
<thead>
<tr>
<th>JAN</th>
<th>7</th>
<th>Cohort Default Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEB</td>
<td>4</td>
<td>Consumer Information, Record Keeping and Disclosures</td>
</tr>
<tr>
<td>MAR</td>
<td>4</td>
<td>Administrative Capabilities</td>
</tr>
<tr>
<td>APR</td>
<td>1</td>
<td>Satisfactory Academic Progress</td>
</tr>
<tr>
<td>MAY</td>
<td>6</td>
<td>Return of Title IV Funds (Including LOA)</td>
</tr>
<tr>
<td>JUN</td>
<td>3</td>
<td>General Participation Requirements</td>
</tr>
<tr>
<td>JUL</td>
<td>1</td>
<td>Campus Crime Report</td>
</tr>
<tr>
<td>AUG</td>
<td>5</td>
<td>Entrance and Exit Counseling</td>
</tr>
<tr>
<td>SEP</td>
<td>2</td>
<td>Cash Management</td>
</tr>
<tr>
<td>OCT</td>
<td>7</td>
<td>Enrollment Reporting Using NSLDS</td>
</tr>
<tr>
<td>NOV</td>
<td>4</td>
<td>Program Integrity (Audits, Program Review)</td>
</tr>
<tr>
<td>DEC</td>
<td>2</td>
<td>1098-T Reporting</td>
</tr>
</tbody>
</table>

**ANNUAL DJА FINANCIAL AID TRAINING COMING IN APRIL 2015**

Be sure to mark your calendar for the Spring DJА Financial Aid Training Session, which will be Monday, April 27, 2015. Once again, it will be held at the Harrah’s North Kansas City Casino and Hotel located at One Riverboat Drive, Kansas City, MO.

Registration is from 8 a.m. to 8:30 a.m. with complimentary coffee and danish in the morning. This session is free to DJА clients. All other interested institutions are welcome to attend. The cost is $125 per person at the
door, or $95 per person, prepaid in advance of the seminar. All attendees will need to register in advance by contacting Kim Onderek at DJA at (800) 242-0977 or via email at konderek@gotodja.com.

**MAKE YOUR RESERVATION NOW!**

You will be making reservations directly with Harrah’s by calling 800-427-7247. To receive the Group rate, you must make your reservation on or before Sunday April 5, 2015. Make sure you identify yourself as part of the DJA Financial Aid Services Group and use the Group Code **S04DJA5**.

**WE LOOK FORWARD TO SEEING YOU IN APRIL!**

---

**ASSOCIATION OF BUSINESS ADMINISTRATORS OF CHRISTIAN COLLEGES (ABACC) ANNUAL CONFERENCE**

DJA will have a booth at this conference scheduled for February 25-27\textsuperscript{th}, 2015 at Lake Buena Vista, Florida.

Please stop by and visit with Kristi Cole to see how DJA can be of service to you in meeting your Financial Aid processing needs.

**2015 PRIVATE CAREER COLLEGES AND SCHOOLS (PCCS) FINANCIAL AID CONFERENCES**

The PCCS conferences are open to all postsecondary schools. This month’s conference will be held in Atlanta, Georgia on February 23-24\textsuperscript{th}. DJA will be presenting the following topics at these workshops and will also be an exhibitor. Please stop by and visit our booth!

- Basic Training – The FAFSA, Student Eligibility and Verification
- Advanced Training – Administrative Capability, Professional Judgment and the 150% Regulation
- Additional session for owners - The Program Participation Agreement – What did you agree to when your signed on for Title IV??

For more information about the PCCS conferences, please go to [http://regionspccs.com/](http://regionspccs.com/) or, contact the Region VII Chairman, Larry Prather, at: 316-682-1838 or by email at LarryPrather@cox.net