



JULY 2018 NEWSLETTER

IMPORTANT DATES:

July 4
DJA Closed



July 11
DJA Monthly Webinar
11:00 a.m. CDT
Campus Crime Report

July 31
Deadline for 16/17 DL Close-out

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Recently, the Department of Education announced an extension to the deadline for schools to comply with certain provisions of the Gainful Employment Regulations. The additional time allotted only pertains to certain provisions. Additionally, the deadline for submitting the Campus Based Reallocation Form is quickly approaching on August 13, 2018.

July 1, 2018 started the new award year- although we have been processing 18/19 for quite some time.

You will find all the details on this and many more topics in this edition of the DJA Monthly Newsletter. Be sure to read the information provided as it pertains to your school.

DJA wishes you a happy, festive and safe 4th of July holiday. As we celebrate our Nation's independence, remember to honor those who are dedicated to preserving our freedom. Thank you to all members of our armed forces and their families for their service and sacrifice.

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



WHAT OUR CLIENTS SAY

"CONSISTENCY"

"DJA has consistently, for over twenty years, provided our school with quality financial aid servicing- offering everything from full service processing, to monthly webinar sessions, yearly training and informative client memos updating us on the ever



changing regulations in this financial aid industry. While their service offerings are value-added, I find the most value in the peace of mind I receive by knowing they have our back by constantly and unfailingly ensuring we are in compliance with the Department of Education. As an owner of a school, my responsibilities are vast and I take great relief in outsourcing my financial aid to DJA. “

Jeff Freeman, Owner
Pinnacle Career Institute
Kansas City, Missouri

EXTENSION OF COMPLIANCE DATE FOR CERTAIN DISCLOSURE REQUIREMENTS

On June 18, 2018, the USDE sent an announcement to the *Federal Register* that allows additional time for schools to comply with certain provisions of the Gainful Employment regulations. The *Federal Register* announcement will give institutions until July 1, 2019 to comply with certain disclosure requirements in the GE regulations.

If you'll recall last year on July 5, 2017 they extended the deadline to July 1, 2018. This current announcement indicates further postponement to comply with the provisions in 34 CFR 668.412 (d) and (e). This postpones for a one year period (until July 1, 2019) the required inclusion of the Disclosure Template in any promotional material or direct distribution to prospective students prior to enrollment as prescribed in Section 668.412(d) and (e) of the regulations.

It is important to note schools have been and still are required to provide a completed disclosure template on your website! Schools still must comply with the requirement in 34 CFR 668.412(c) to provide a completed disclosure template, or a link thereto, on its GE program web pages.

Over the past year, the Department conducted three negotiated rulemaking sessions related to the GE regulations. The committee did not reach consensus. The Department intends to develop proposed regulations that would replace the GE regulations. As part of this rulemaking process, the Department continues to evaluate the efficacy of these disclosures to students, including the manner in which the GE regulations would require institutions make these disclosures, and the burden associated with the implementation of these requirements. <https://ifap.ed.gov/fregisters/attachments/FR061818.pdf>

2018-2019 DIRECT LOAN FEES

The Budget Control Act of 2011 (the sequester law) remains in effect, and include sequester-required changes to Direct Loan fees and the percentage reduction that institutions must apply to awards in the Iraq-Afghanistan Service Grant and TEACH Grant programs where the first disbursement is on or after October 1, 2018.



Find information on how the sequester affected the Iraq-Afghanistan Service Grant and TEACH Grant programs at: FY 19 Sequester-Required Changes to the Title IV Student Aid Programs

<https://ifap.ed.gov/eannouncements/060618FY19SequesterRequiredChangesTitleIVStudentAidPrograms.html>

The terms of the sequester increase the loan fees charged to Direct Loan borrowers for Direct Subsidized/Direct Unsubsidized and Direct PLUS loans from their statutory rates of 1 percent and 4 percent, respectively.

For loans where the first disbursement is made on or after October 1, 2018 and before October 1, 2019 –

- The loan fee for Direct Subsidized Loans and for Direct Unsubsidized Loans is 1.062%. For example, the fee on a \$5,500 loan will be \$58.41.
- The loan fee for Direct PLUS Loans (for both parent borrowers and graduate and professional student borrowers) is 4.248%. For example, the fee on a \$10,000 PLUS Loan will be \$424.80.

The following chart shows the sequester-required loan fees for FY 18 and FY 19.

Loan Type	First Disbursed	Loan Fee Percent	Fee Example
Direct Subsidized Loans and Direct Unsubsidized Loans	FY 18 On or after October 1, 2017 and before October 1, 2018	1.066	\$58.63 on a \$5,500 loan
	FY 19 On or after October 1, 2018 and before October 1, 2019	1.062	\$58.41 on a \$5,500 loan
Direct PLUS Loans (Parent and Grad/Prof Student)	FY 18 On or after October 1, 2017 and before October 1, 2018	4.264	\$426.40 on a \$10,000 loan
	FY 19 On or after October 1, 2018 and before October 1, 2019	4.248	\$424.48 on a \$10,000 loan

Loan fee calculations that result in more than two decimal places must be truncated (not rounded) to two digits after the decimal point (cents).



As a reminder, the loan fee percentage for a loan is determined by the date of the first disbursement of the loan. Any subsequent disbursements of that loan, even if made on or after the relevant October 1, have the same loan fee percentage that applied to the first disbursement of that loan.

IMPORTANT: Institutions may immediately begin submitting Direct Loan origination records to COD where the first disbursement will be on or after October 1, 2018. Of course, those origination records must have the correct loan fees as provided in this letter. Loan origination records previously submitted with an anticipated first disbursement on or after October 1, 2018 will be corrected by the COD system.

Operational Guidance for Direct Loan Origination Fee Change October 1, 2018

<https://ifap.ed.gov/eannouncements/062018SubmittingChangesOrigFeePctsDisbs.html>

2018-2019 FUNDING AUTHORIZATIONS FOR THE CAMPUS-BASED PROGRAMS AND REALLOCATION PROCESS FOR 2017/2018

Awards for the 2018-2019 Campus-Based Funding programs, Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal Work-Study (FWS), have been approved for the schools listed in the report published on the Campus Based Awards page of the IFAP (Information for Financial Aid Professionals) Website. The report is available in two formats, PDF or Microsoft Excel. Each report includes the OPEID, name, address, state code, and federal funds for the FSEOG and FWS Programs as of April 18, 2018.

It is important to note that in some cases schools become eligible for awards after the report is generated and therefore may not be included. Additionally, the Perkins Loan Extension Act of 2015 amended section 461 of the HEA which prohibited schools from making additional Perkins loans after the 2017-18 award year. Therefore, this is the first year the reports did not include an authorization level for the Perkins loan.

Award Information

- **Federal Supplemental Educational Opportunity Program-** Schools make grant awards to undergraduate students with exceptional financial need. The maximum award amount for each academic year of undergraduate study is \$4000. Federal funding provides 75 percent of the grants, while the school provides the remaining 25 percent. For the 18/19 award year, the federal funds for the FSEOG program are \$839,284,002 and the approved allocations are for 3,591 schools.
- **Federal Work Study Program-** Schools provide jobs both on and off campus for needy undergraduate and graduate students. In most instances federal funds provide 75 percent of a student's FWS earnings, with a matching school or off campus agency providing the remaining 25 percent. The federal share of earned compensation for employment at private for-profit organizations may not exceed 50 percent. The federal share may be up to 90 percent under certain conditions for employment at private nonprofit and public agencies and may be up to 100 percent for students employed as reading or math tutors or



performing family literacy activities. For the 18/19 award year, the federal funds for the FWS program are \$1,119,303,861 and the approved allocations are for 3,178 schools.

<https://ifap.ed.gov/eannouncements/062118NotifCBFunding1819AY.html>

Reallocation of Additional Campus-Based Funds for the 2017-2018 Award Year

Schools use the reallocation process to release unexpended portions of their 2017-2018 allocations in the Federal Work Study (FWS) and/or Federal Supplemental Educational Opportunity Grant (FSEOG) programs or to request 2018-2019 supplemental FWS funds that will be used to employ students in community service jobs.

Each school should carefully examine its current expenditures under the FWS and FSEOG programs to determine whether there will be any unexpected funds available from the 2017-18 allocations. The 17/18 Campus Based Reallocation Form should be completed by schools that will have unspent funds as described below. The deadline for electronically submitting this form is **Monday, August 13, 2018**.

Completing the Campus-Based Reallocation Form: The form must be completed if

- A school does not intend to spend its entire 2017-18 FWS or FSEOG allocation
- A school wants to request supplemental 18-19 FWS funds that will be used for the purpose of employing students in community service jobs and the school had an FWS fair share shortfall as shown on line 28 of the school's 18-19 final funding worksheet.

The Reallocation Form must be submitted electronically via the COD Web Site, once it becomes available. To submit the form follow these steps

1. Log into the COD website www.cod.ed.gov
2. From the "School" tab, select "Campus-Based" from the left navigation menu
3. Select "Forms and Waivers" from the left navigation menu, then click "Manage Application"
4. Click the "Create" button next to the Reallocation Form to begin to edit and submit

We expect the 17/18 Campus Based Reallocation Form will be available no later than August 1, 2018.

<https://ifap.ed.gov/eannouncements/060618ImptInfoReallocProc1718CBFmProcRqSuppFWSFund1819.html>

For additional information about the Campus Based Funding Authorizations or the Campus Based Reallocation Form, contact the COD School Relations Center at 1-800-848-0978. You may also email CODSupport@ed.gov.

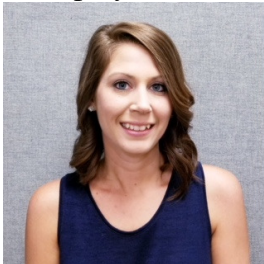




DJA EMPLOYEE SPOTLIGHT

Tabitha Belshe
Accounting Team Manager

Tabitha has been with DJA for over five years and services as the Accounting Team Manager. She is responsible for a wide variety of tasks, including providing managerial guidance to her teams, auditing the accounting disbursement reports and ensuring the accuracy of the work her team produces. Tabitha is a true team player and chooses to lead her group by their side, ensuring production never stalls and students get paid!



Tabitha loves everything she does here at DJA. She enjoys the simplicity of processing disbursements, but truly appreciates the challenge of diving in to solve more complex files. With an associate's degree in Psychology from Cowley County Community College, working with people is a passion of hers and she feels her role in management is a good fit for her strengths.

Outside of her work at DJA, Tabitha takes great pride in being a mom to her boys, Jack and Braxton. They love getaways to the lake and enjoying nature. Additionally, their weekends are often spent battling it out on the Go-Kart track, playing little league soccer and spending time with their church family.

COMPLIANCE CORNER

PENALTIES AND INSTITUTIONAL POLICIES ON COPYRIGHT INFRINGEMENT

As a condition of participation in the Title IV, HEA program, an institution must have developed and implemented written plans to effectively combat the unauthorized distribution of copyrighted material by users of the institutions network.

Institutional Plans

An institution must include in its plan:

- The use of one or more technology based deterrents;
- Mechanisms for educating and informing its community about appropriate versus inappropriate use of copyrighted material, including the consumer information an institution must provide, upon request, in accordance with 34 CFR 668.43(a) (10) (described below).



- Procedures for handling unauthorized distribution of copyrighted material, including disciplinary procedure; and
- Procedures for periodically reviewing the effectiveness of the plans to combat the unauthorized distribution of copyrighted materials by users of the networking using relevant assessment criteria.

In recognition of the diversity among institutions and how technology is continuously evolving, it is up to an institution's discretion to determine how many and what type of technology-based deterrents it uses as a part of its plans-although every institution must employ at least one. Technology-based deterrents include bandwidth shaping, traffic monitoring, accepting and responding to Digital Millennium Copyright Act (DMCA) notices, and commercial products designed to reduce or block illegal file sharing. An institution also has discretion to determine what relevant assessment criteria are for reviewing the effectiveness of its plans. An institution is expected to use the assessment criteria it determines are relevant to evaluate how effective its plans are in combating the unauthorized distribution of copyrighted materials by users of the institution's networks.

Offering of Legal Alternatives

34 CFR 668.14 (b)(30) also requires that an institution, in consultation with the chief technology officer or other designated officer of the institution, to the extent practicable, offer legal alternatives to illegal downloading or otherwise acquiring copyrighted material, as determined by the institution. An institution must periodically review the legal alternatives for downloading or otherwise acquiring copyrighted material, and make the results of the review available to its students through a Web site or other means.

Consumer Information

Schools are required to publish an institutional policy informing students of the penalties associated with the unauthorized distribution of copyrighted materials. According to regulation 34 CFR 668.43(a)(10), such policy should include the following:

- A statement that explicitly informs students that unauthorized distribution of copyrighted material, including unauthorized peer-to-peer file sharing, may subject the students to civil and criminal liabilities.
- A summary of the penalties for violation of federal copyright laws (see the sample provide below, excerpted from the handbook).
- A description of the school's policies with respect to unauthorized peer-to-peer file sharing, including disciplinary actions that are taken against students who engage in illegal downloading or unauthorized distribution of copyrighted materials using the schools' information technology system.

Under 34 CFR 668.41(c), an institution must provide to enrolled students an annual notice containing a list and a brief description of consumer information it must disclose and the procedures for obtaining the consumer information. An institution must add to this list information regarding institutional policies and sanctions related to the unauthorized distribution of copyrighted material. Consistent with current regulations (34 CFR 668.41(a)), an institution must provide this annual notice on a one-to-one basis through a direct individual notice to each enrolled student. This notice must be made through an appropriate mailing or publication, including direct mailing through the U.S. Postal Service, campus mail, or electronic mail. Posting on Internet or



Intranet Web sites does not constitute notice. If the institution discloses the consumer information by posting the information on a Web site, it must include in the notice the exact electronic address at which the information is posted, and a statement that the institution will provide a paper copy of the information on request.

Although an institution is required to disclose the required information only to students, we encourage institutions to make the information available to employees and the general public if they believe it will be beneficial.

Sample Statement

A school may use this sample statement to meet the requirement that it disseminate a summary of the penalties for violating federal copyright law. The use of this sample summary is optional.

Summary of Civil and Criminal Penalties for Violation of Federal Copyright Laws Copyright infringement is the act of exercising, without permission or legal authority, one or more of the exclusive rights granted to the copyright owner under section 106 of the Copyright Act (Title 17 of the United States Code). These rights include the right to reproduce or distribute a copyrighted work. In the filesharing context, downloading or uploading substantial parts of a copyrighted work without authority constitutes an infringement. Penalties for copyright infringement include civil and criminal penalties. In general, anyone found liable for civil copyright infringement may be ordered to pay either actual damages or “statutory” damages affixed at not less than \$750 and not more than \$30,000 per work infringed. For “willful” infringement, a court may award up to \$150,000 per work infringed. A court can, in its discretion, also assess costs and attorneys’ fees. For details, see Title 17, United States Code, Sections 504, 505. Willful copyright infringement can also result in criminal penalties, including imprisonment of up to five years and fines of up to \$250,000 per offense. For more information, please see the website of the U.S. Copyright Office at (www.copyright.gov).

<https://ifap.ed.gov/fsahandbook/attachments/1718FSAHbkVol2Ch6.pdf>

<https://ifap.ed.gov/dpcletters/GEN1008.html>

DJA CALENDAR

Monthly DJA Webinar: *Campus Crime Report —Wednesday, July 11, 2018 at 11 a.m. CDT*

NOTE: There may be a difference between DJA 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>

Webinars are free to clients. There is a fee for all others who may be interested in joining us for these presentations. Invitations are automatically sent to all clients, however if you do not receive an invitation, email 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.



2018 DJA MONTHLY WEBINAR SCHEDULE

AUG 1	Entrance and Exit Counseling
SEPT 5	Cash Management
OCT 3	Enrollment Reporting Using NSLDS
NOV 7	Program Integrity (Audits, Program Review)
DEC 5	1098-T Reporting

Disclaimer: The information presented in this Newsletter is provided as a service and represents our best efforts to assist institutions with federal student aid regulations. We have collected information we believe to be important in finding and obtaining the resources for administering federal student aid; however, we assume no liability for the use of this information. The information in this newsletter does not constitute, and should not be construed as, legal advice.

