



FINANCIAL AID SERVICES
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FEBRUARY 2022 NEWSLETTER

IMPORTANT DATES:

February 1

Tentative 21-22 Funding Levels
Expected to be Released for
Campus Based Programs

February 2

DJA Webinar: Consumer
Information
11:00 a.m. CST

February 7

Deadline for 22/23 Underuse
Penalty Waiver

February 20

Deadline for Mandatory SAIG
Software Upgrade and
EDconnect Security Patch

February 21

Last Day to Submit
Notifications to COD on
Incorrect Data in FSEOG
Funding Level Worksheets

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- Use of FAFSA Data for Other Federal Programs
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January passed all too quickly and here we are entering the second month of the new year. With February comes new deadlines and announcements, including your final reminder to install the mandatory SAIG Software Upgrade and EDConnect Security Patch (the extended deadline is February 20th). Be sure to watch your inbox on the 1st of this month for the expected release of Tentative 21/22 Funding Levels for the Campus Based Program. Log in to the COD Website and ensure the data in the worksheets is correct. If changes need addressed, schools have until February 21st to notify the COD Relations Center. This month, the Department is rolling out their new Wednesday Webinar Series. Starting on February 9th and concluding in early May, we have listed out more details in this newsletter. Lastly, Draft Cohort Default Rates are set to be released at the end of this month.

Amid the reminders of deadlines approaching, this newsletter shares the recent release of the 2022/2023 Federal Pell Grant Payment and Disbursement Schedules. The year has already started strong with announcements as the Department also released a Federal Register reviewing the deadlines for the 22/23 Campus Based Awards.

Lastly, several communications were shared throughout last month in regards to compliance standards. In relation to cybersecurity, the U.S. Government launched a new website to combat Ransomware. FSA additionally includes their own active Ransomware campaign. Additionally, review our Compliance Corner for the Department's next installment in their reconciliation series as they review Pell Grant Reconciliation and enclose a section on Frequently Asked Questions.

We understand the aforementioned deadlines and industry regulations can be a bit overwhelming and these are just a few of the challenges facing institutions today. DJA is here to assist in any of the processing needs you are currently facing. Our Director of Client Services, Kristi Cole, would love to share how DJA can assist you in the current climate. Please feel free to contact her at kcole@gotodja.com or myself at djohn@gotodja.com.

*Thank you and until next time, stay safe!
Deborah John, President*

IN THE NEWS: U.S. GOVERNMENT LAUNCHES STOPRANSOMWARE.GOV AS A NEW RESOURCE TO HELP PROTECT AMERICAN BUSINESSES AND COMMUNITIES FROM RANSOMWARE ATTACKS

Mid-January of this year, the U.S. Government launched a website to help public and private organizations defend against the rise in ransomware cases. [StopRansomware.gov](https://www.stopransomware.gov) is a collaborative government approach that gives one central location for ransomware resources and alerts. “The Department of Justice is committed to protecting Americans from the rise in ransomware attacks that we have seen in recent years,” said Attorney General Merrick B. Garland of the Justice Department. “Along with our partners in and outside of government, and through our Ransomware and Digital Extortion Task Force, the Department is working to bring all our tools to bear against these threats. But we cannot do it alone. It is critical for business leaders across industries to recognize the threat, prioritize efforts to harden their systems and work with law enforcement by reporting these attacks promptly.”

Federal Student Aid encourages Institutions of Higher Education and other organizations to use this new website to understand the threat of ransomware, mitigate risk, and know what steps to take in the event of an attack. [StopRansomware.gov](https://www.stopransomware.gov) is an interagency resource that provides FSA partners and stakeholders with ransomware protection, detection, and response guidance that they can use on a single website. This includes ransomware alerts, reports, and resources from the Cybersecurity and Infrastructure Security Agency, the FBI, and other federal partners.

In an Electronic Announcement sharing the launch of the website, FSA also linked a previous posting containing additional ransomware information related to the education sector: [Active Ransomware Campaign Targeting Education Institutions](#).

<https://www.justice.gov/opa/pr/us-government-launches-first-one-stop-ransomware-resource-stopransomwaregov>

<https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-01-11/stopransomwaregov-website-us-governments-one-stop-location-stop-ransomware>

2022-23 FEDERAL PELL GRANT PAYMENT AND DISBURSEMENT SCHEDULES RELEASED

In a Dear Colleague Letter dated January 31, 2022 the PDF and Excel versions of the Payment and Disbursement Schedules for determining Federal Pell Grant awards for the 2022-2023 award year (July 1, 2022 through June 30, 2023) for full-time, three-quarter-time, half-time, and less-than-half-time students. As a reminder, all 2022-2023 Federal Pell Grant awards must be based on the schedules attached to this letter. With the release of the 2022-23 Free Application for Federal Student Aid (FAFSA) on October 1, 2021, the Department is providing the Pell Grant Payment and Disbursement Schedules so that institutions may inform students and their families of their potential eligibility for a Federal Pell Grant.



On Dec. 3, the President signed Public Law 117-70, making further continuing appropriations for the fiscal year ending Sept. 30, 2022, and for other purposes. Under these continuing appropriations, for the 2022-2023 award year, the maximum Pell Grant award remains fixed at \$6,495 and the corresponding maximum Pell Grant eligible expected family contribution (EFC) remains fixed at 5846. This situation could change at any time pending further action by Congress.

FSA will publish the 2022-2023 Federal Pell Grant Payment and Disbursement Schedules by Feb. 1 in accordance with section 482 of the Higher Education Act of 1965, as amended (HEA). Nevertheless, schools should be aware that the funding currently made available under P.L. 117-70 expires on Feb. 18, 2022, unless Congress acts to extend it. That law's Pell Grant appropriation, or a similar measure, must be extended through Sept. 30, 2022, in order to fund the award levels described above for all eligible students in 2022-2023. If Congress acts to modify the current maximum award for 2022-2023, we will publish revised schedules. Under section 401(b)(4) of the HEA, the minimum Pell Grant award is 10 percent of the maximum award amount for the award year. Because mid-points are used in both the EFC columns and the cost of attendance (COA) rows in constructing the schedules, the actual 2022-2023 award year minimum scheduled award amount will be \$650.

Although \$6,495 is the maximum Pell Grant scheduled award for the 2022-23 award year, a student may be eligible to receive Pell Grant funds for up to 150 percent of the student's Pell Grant scheduled award for an award year. To be eligible for the additional Pell Grant funds, the student must be otherwise eligible to receive Pell Grant funds for the payment period and must be enrolled at least as a half-time student, as defined in 34 CFR 668.2(b), during the payment period for which the student receives the additional Pell Grant funds in excess of 100 percent of the student's Pell Grant scheduled award. To learn more, see Dear Colleague Letter [GEN-17-06](#).

As a reminder, in using the schedules to award a Federal Pell Grant to a student, the full nine-month EFC must always be used, regardless of the student's actual period of attendance. Also, the Title IV 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. Please note also 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](#).

A student's eligibility to receive a Federal Pell Grant award may be limited by section 401(c)(5) of the HEA, which limits lifetime Pell Grant eligibility to 12 semesters (or its equivalent). Schools should review information on Pell Grant eligibility determinations and the Lifetime Eligibility Used (LEU) limit posted on the [Knowledge Center](#) website. For more information on the LEU limitation, see Dear Colleague Letter [GEN-13-14](#) and Volume 3, Chapter 3 of the [Federal Student Aid Handbook](#).



Additionally, FSA advises institutions should also be aware of guidance on the Children of Fallen Heroes Scholarship, which extends maximum Federal Pell Grant eligibility for certain students who have a Pell Grant-eligible EFC and who had a parent or guardian die while serving as a public safety officer. See the Electronic Announcement published on [November 19, 2018](#) to learn more about this scholarship.

In future electronic announcements, FSA will address system, web, and software modifications that will reflect the 2022-2023 Pell Grant Payment and Disbursement Schedules. These include changes to the Central Processing System (CPS), the Institutional Student Information Record (ISIR) Analysis Tool, the Common Origination and Disbursement (COD) System, and the EExpress for Windows software.

**DJA Clients: Our team is working diligently to get these schedules updated in our NewLeaf software and other related programs. We will send out client correspondence once those changes have been made.

<https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-01-31/2022-2023-federal-pell-grant-payment-and-disbursement-schedules>

CAMPUS BASED PROGRAM DEADLINES FOR 2022-23

A Federal Register was released on January 26, 2021 detailing the deadlines for the 2021-2022 Award Year for the Campus Based Programs.

2021-2022 Award Year Deadline

What Does an Institution Submit?	How is it Submitted?	What is the deadline for Submission?
1. The Campus-Based Reallocation Form designated for the return of 2021-2022 funds and the request for supplemental FWS funds for the 2022-23 award year.	The Reallocation Form must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov .	Monday, August 15, 2022.

<p>2. The 2023-24 FISAP (reporting 2021–22 expenditure data and requesting funds for 2022–23).</p>	<p>The FISAP must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov. The FISAP signature page must be signed by the institution’s Chief Executive Officer with an original signature and mailed to: FISAP Administrator, U.S. Department of Education, P.O. Box 9003, Niagara Falls, NY 14302. For overnight delivery mail to: FISAP Administrator, 2429 Military Road, Suite 200, Niagara Falls, NY 14304.</p>	<p>Friday, September 30, 2022.</p>
<p>3. The Work Colleges Program Report of 2021-22 award year expenditures.</p>	<p>The Work Colleges Program Report of Expenditures must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov. The signature page must be signed by the institution’s Chief Executive Officer with an original signature and sent to the U.S. Department of Education using one of the following methods: Hand deliver to: U.S. Department of Education, Federal Student Aid, Grants & Campus-Based Division, 830 First Street NE, Room 62B1, ATTN: Work Colleges Coordinator, Washington, DC 20002, or Mail to: The address listed above for hand delivery. However, please use ZIP Code 20202–5453.</p>	<p>Friday, September 30, 2022.</p>
<p>4. The 2021-22 Financial Assistance for Students with Intellectual Disabilities Expenditure Report</p>	<p>The Financial Assistance for Students with Intellectual Disabilities Expenditure Report must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov. The signature page must be signed by the institution’s Chief Executive Officer with an original signature and sent to the U.S. Department of Education using one of the following methods: mail to FISAP Administrator, U.S. Department of Education, P.O. Box 9003, Niagara Falls, NY 14302. For overnight delivery mail to: FISAP Administrator, 2429 Military Road, Suite 200, Niagara Falls, NY 14304.</p>	<p>Friday, September 30, 2022.</p>



<p>5. NEW The Institutional Application and Agreement for Participation in the Work Colleges Program for the 2023-24 award year— <i>NEW applicants only</i></p>	<p>The application and agreement must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov The signature page must be signed by the institution's chief executive officer with an original signature and sent with all application documents to the U.S. Department of Education using one of the following methods: Hand deliver to: U.S. Department of Education, Federal Student Aid, Grants & Campus-Based Division, 830 First Street NE, Room 62B1, ATTN: Work Colleges Coordinator, Washington, DC 20002, or Mail to: The address listed above for hand delivery. However, please use ZIP Code 20202-5453</p>	
<p>6. 2023-24 FISAP Edit Corrections.</p>	<p>FISAP Edit Corrections must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov.</p>	<p>Thursday, December 15, 2022.</p>
<p>7. The 2023-24 Perkins Cash on Hand Update as of October 31, 2022.</p>	<p>The Perkins Cash on Hand Update must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov.</p>	<p>Thursday, December 15, 2022.</p>
<p>8. Request for a waiver of the 2023-24 award year penalty for the underuse of 2021–22 award year funds.</p>	<p>The request for the waiver of penalty for underuse of funds and the justification must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov.</p>	<p>Monday, February 6, 2023</p>

<p>9. The Institutional Application and Agreement for Participation in the Work Colleges Program for the 2023-24 award year— <i>RETURNING applicants only</i></p>	<p>The application and agreement must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov The signature page must be signed by the institution's chief executive officer with an original signature and mailed to: FISAP Administrator, U.S. Department of Education, P.O. Box 9003, Niagara Falls, NY 14302 For overnight delivery, mail to: FISAP Administrator, 2429 Military Road, Suite 200, Niagara Falls, NY 14304</p>	<p>Monday, March 6, 2023.</p>
<p>10. Request for a waiver of the FWS Community Service Expenditure Requirement for the 2022–23 award year</p>	<p>The request for the waiver of FWS Community Service Expenditure Requirement must be submitted electronically through the Common Origination and Disbursement website at https://cod.ed.gov.</p>	<p>Monday, April 24, 2023</p>
<p>Notes: The deadline for electronic submissions is 11:59:00 p.m. (Eastern Time) on the applicable deadline date. Transmissions must be completed and accepted by 11:59:00 p.m. to meet the deadline. Paper documents that are sent through the U.S. Postal Service must be postmarked or you must have a mail receipt stamped by the applicable deadline date. Paper documents that are delivered by a commercial courier must be received no later than 4:30:00 p.m. (Eastern Time) on the applicable deadline date. The Secretary may consider on a case-by-case basis the effect that a major disaster, as defined in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)), or another unusual circumstance has on an institution in meeting the deadlines.</p>		

<https://www.federalregister.gov/documents/2022/01/31/2022-01897/federal-perkins-loan-federal-work-study-and-federal-supplemental-educational-opportunity-grant>

FSA ANNOUNCES LIVE INTERNET WEBINARS- WEDNESDAY WEBINAR MINI SERIES, FEBRUARY- MAY 2022

In a Dear Colleague letter published on January 14, 2022, FSA announced their upcoming Wednesday Webinar Series, a series of live, two-hour webinars which will cover a variety of topics related to the Title IV programs. Kicking off on Wednesday February 9th, the webinars will provide the most recent guidance from the U.S. Department of Education (the Department) and the office of Federal Student Aid, including statutory and

regulatory updates. Operational information and reminders will also be shared. Participants will be able to ask questions by typing them into the chat during the webinar and a live Q&A session will follow each presentation.

Federal Student Aid staff will present the first seven webinars in this occasional series in February–May 2022. More webinars that will address topics of interest to the financial aid community will be added in the future.

You do not need to register for the webinars in this series. Participation will be available on a first come, first-served basis and we can accommodate up to 10,000 attendees in each session.

Refer to the schedule below for more information about each webinar. Be sure to add these to add the sessions you would like to attend to your calendar now!

Wednesday Webinar Series Schedule

All sessions are scheduled for 1–3 p.m. Eastern time (ET).

Wednesday, February 9, 2022	February Federal Update
Wednesday, February 23, 2022	Verification
Wednesday, March 9, 2022	Professional Judgment
Wednesday, March 23, 2022	R2T4 Essentials
Wednesday, April 6, 2022	R2T4 Modules
Wednesday, April 20, 2022	Conflicting Information
Wednesday, May 4, 2022	May Federal Update

For further descriptions of each session and links to attend, please visit the complete Electronic Announcement here: <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-01-14/live-internet-webinars-wednesday-webinar-series-february-may-2022>

TENTATIVE 22-23 FUNDING LEVELS RELEASED FOR CAMPUS BASED PROGRAMS

Tentative funding levels and corresponding worksheets for the Federal Work-Study (FWS) Program and the Federal Supplemental Educational Opportunity Grant (FSEOG) Program for the 2022–23 award year (July 1, 2022, through June 30, 2023) will be posted to the [Common Origination and Disbursement \(COD\) website](#) by Feb. 1, 2022. These tentative funding levels are determined in accordance with the *Higher Education Act of 1965*, as amended (*HEA*).

As of the date of this announcement (01/25/22), appropriations for the 2022–23 Campus-Based Programs have not been determined. Thus, the 2022–23 award year Campus-Based tentative award funding levels have been based on the amounts contained in the 2021–22 award year appropriations. The 2022–23 final award allocations may be delayed or revised depending upon the outcome of the appropriations process.



Attached to this announcement (see link below) is an explanation of the calculation of the tentative funding level in the worksheet for each of the FWS and FSEOG programs.

Schools will be notified by email that their tentative funding levels and worksheets are available on the [COD website](#). Emails are sent to the school's Financial Aid Administrator, as provided in the school's most recently submitted Fiscal Operations Report and Application to Participate (FISAP) or the FAA listed on the "School Information" page in the Campus-Based section of the [COD website](#). To access the worksheets:

- Log in to the [COD website](#) and from the School tab, select Campus-Based from the left menu
- Select the "Self Service" option from the left menu, then "Notifications"

Review the school's worksheets carefully (especially if your school recently completed a change of affiliation/merger). If the data in the worksheets is not correct and/or the tentative funding levels are inconsistent with prior year funding levels, notify the COD School Relations Center at the number below as soon as possible, and **no later than Feb. 21, 2022**.

Reductions in Allocation Funding Levels due to Prior Year Underuse

In accordance with sections 413D(d)(2) and 442(d)(2) of the *HEA*, if a school returns more than 10% of its FWS or FSEOG allocation, for an award year, the allocation for the second succeeding award year for that program is reduced by the dollar amount returned from the earlier year. A school can determine if its 2022–23 funding level was reduced because of the underuse of 2020–21 funding by reviewing the worksheet lines labeled "Under Used Percentage" and "Allocation Reduction".

The *HEA* also provides that the Secretary can waive the underuse penalty for a school if its enforcement would be contrary to the interests of the affected Campus-Based program. A request for a waiver of any 2022–23 award year penalty for the underuse of 2020–21 award year funds should be submitted to the U.S. Department of Education (the Department) using the "Forms and Waivers" page on the [COD website](#). Requests must be submitted no later than 11:59 p.m. Eastern time (ET) on Feb. 7, 2022. For more information about the underuse waiver process, see the [Jan. 7, 2022 Electronic Announcement](#) published on the Knowledge Center.

FISAP Edits Required for Additional Locations Not Eligible by March 1, 2022

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 Oct. 1, 2021, FISAP submission date. If a school does not receive an eligibility letter and Program Participation Agreement from the Department by March 1, 2022, for the newly listed locations, it must submit revised FISAP data using the COD website no



later than March 7, 2022. The school's revision must remove all data pertaining to students enrolled at the ineligible locations.

Contact Information

For additional information about tentative funding levels, contact the COD School Relations Center at 1-800-848-0978. You may also email CODSupport@ed.gov.

<https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-01-25/tentative-2022-23-funding-levels-campus-based-programs>

ANNUAL STUDENT LOAN ACKNOWLEDGMENT- BORROWER COMPLETION NOT REQUIRED FOR 2022-23 AWARD YEAR AND BEYOND

In a [Nov. 21, 2019 Electronic Announcement](#), FSA informed schools about a change to the approved *Master Promissory Note* (MPN) confirmation processes. The Annual Student Loan Acknowledgment process would require student and parent borrowers to view how much they currently owe in federal student loans, and to acknowledge that they have seen this amount before a school can make the first disbursement of the first Direct Loan that a student or parent borrower receives for each new award year.

Important UPDATE:

The Annual Student Loan Acknowledgment process continues to be available on StudentAid.gov. However, borrower completion of the Annual Student Loan Acknowledgment prior to disbursement will not be required for the 2022–23 award year and beyond.

Per existing business rules of the Common Origination and Disbursement (COD) System, schools will continue to receive information about a borrower's completion of the Annual Student Loan Acknowledgment process on StudentAid.gov. However, disbursement records submitted to the COD System prior to the completion of the Annual Student Loan Acknowledgment will not be rejected any longer.

Schools must adjust borrower notifications and make system modifications, as appropriate, to reflect that the Annual Student Loan Acknowledgment is not required.

<https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-01-21/annual-student-loan-acknowledgment-borrower-completion-not-required-2022-23-award-year-and-beyond>



USE OF FAFSA DATA TO ADMINISTER FEDERAL PROGRAMS

In a Dear Colleague letter published January 20, 2022, the U.S. Department of Education intends to explain how and under what conditions FAFSA data may be used to help inform students of benefits and opportunities that may be available to them. Institutions are reminded of recently issued designations under Section 483(a)(3)(E) of the Higher Education Act of 1965, as amended (20 U.S.C. 1090(a)(3)(E)), that permit IHEs to use Federal Application for Student Aid (FAFSA[®]) data to aid in the administration of several Federal benefits described within the announcement. It is also important to ensure that the data is being used appropriately and in ways that do not violate a student's privacy rights. IHEs should limit their FAFSA data use to what is required to inform their student population about these benefits, and, if needed, provide to a student to verify their eligibility for these benefits.

This designation represents an opportunity to help students obtain Federal benefits for which they may be eligible. ED encourages IHEs to coordinate with campus stakeholders, such as student organizations, financial aid administrators, faculty and staff advisors, or student life groups, to broadly inform their student population about the range of benefits for which they may be eligible. In doing so, IHEs must follow requirements under the Family Educational Rights and Privacy Act (FERPA) and any other applicable privacy law for the disclosure of a student's FAFSA data to campus stakeholders or any other third parties.

Below is a list of federal benefit programs that IHEs may provide information about using students' FAFSA data

- Child Tax Credit
- Recovery Rebate Credit/Economic Impact Payment
- Supplemental Nutrition Assistance Program (SNAP)
- Affordable Connectivity Program
- Health Insurance Enrollment

Other Federal Assistance

- Unemployment Insurance
- Housing Assistance

For a complete breakdown of how your students may be eligible for the programs mentioned above, click on the complete Dear Colleague letter here: <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-01-20/use-fafsa-data-administer-federal-programs>

REPORTING STUDENT LOAN INTEREST PAYMENTS FOR 2021

With tax time quickly approaching, FSA released an Electronic Announcement regarding their reporting of student loan interest payments. If a borrower made federal student loan payments in 2021, the borrower may be eligible to deduct a portion of the interest paid on the borrower's 2021 federal tax return. Student loan interest



payments are reported to both the Internal Revenue Service (IRS) and the borrower on IRS Form 1098-E, Student Loan Interest Statement.

The announcement provides the following information about reporting student loan interest for 2021 through three basic questions and answers.

Under what circumstances do federal loan servicers report interest payments on IRS Form 1098-E?

As required by the IRS, federal loan servicers must report payments on IRS Form 1098-E by Jan. 31, 2022 if the interest received from the borrower in the tax year was \$600 or more.

If a borrower paid less than \$600 in interest to a federal loan servicer during the tax year, the borrower may visit his or her servicer's website for the exact amount of interest paid during the year and, if needed, to request a 1098-E.

How many 2021 1098-E's should a borrower expect to receive?

Most borrowers who paid \$600 or more in interest during 2021 will receive one 1098-E. Borrowers who had multiple servicers in 2021 may receive two or more 1098-E's. If a borrower has questions about 2021 1098-E's, direct the borrower to his or her current federal loan servicer's website for assistance.

What are the different scenarios that may apply to 2021 1098-E dissemination?

The two scenarios outlined below cover the vast majority of federal student loan borrowers:

1. **Borrower's Current Servicer Was Only Servicer in 2021:** In this case, a borrower's current federal loan servicer will provide the borrower with a copy of his or her 1098-E if the interest paid in 2021 was \$600 or more. The servicer may send the 1098-E to the borrower via U.S. mail or electronically.
2. **Borrower Had Multiple Servicers in 2021:** In this case, each of a borrower's federal loan servicers will provide the borrower with a copy of his or her 1098-E if the interest paid to the individual servicer in 2021 was \$600 or more. If the interest paid to each individual servicer is less than \$600, but totals \$600 or more across servicers, the borrower may request a 1098-E from those servicers. Each servicer may send the 1098-E to the borrower via U.S. mail or electronically.

**If you are a DJA Client be sure to review our December 2021 Webinar on 1098-T Reporting on the DJA Client Access Portal.

<https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-01-25/loan-servicing-information-reporting-student-loan-interest-payments-2021>

SUMMARY OF UPCOMING DEADLINES

Deadline Reminder: Perform Mandatory SAIG Software Upgrade and Install EDConnect Security Patch by February 20, 2022

To comply with an important federal mandate to improve email and web security, the latest version of Student Aid Internet Gateway (SAIG) software—EDconnect or TDClient—must be installed by all users. As we have previously described in multiple Electronic Announcements, the deadline to upgrade is **Feb. 20, 2022**.

After Feb. 20, older versions of EDconnect and TDClient will no longer connect to the SAIG and cannot be used to send/receive transmissions.

<https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-01-28/deadline-reminder-perform-mandatory-saig-software-upgrade-and-install-edconnect-security-patch-feb-20-2022>

Deadline Reminder: 2022-23 Underuse Penalty Waiver for the Campus-Based Programs is February 7, 2022

The deadline to request a waiver of the 2022–23 award year penalty of FWS and FSEOG for the underuse of 2020–21 award year funds is Feb. 7, 2022. This deadline was announced in the “[Campus-Based Deadline Dates Notice for the 2021–22 Award Year](#),” published in the *Federal Register* on Jan. 26, 2021 (86 FR 7075).

A school can determine if it is subject to an underuse penalty by reviewing its most recent Fiscal Operations Report and Application to Participate (FISAP) or Campus-Based Tentative Funding Worksheet for 2022–23 (see sections below). The school may submit an underuse penalty waiver request if the school is able to explain that the underuse was due to circumstances beyond its control and why those circumstances are not expected to recur.

<https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2022-01-07/reminder-deadline-2022-23-underuse-penalty-waiver-campus-based-programs-feb-7-2022>

COMPLIANCE CORNER PELL GRANT PROGRAM RECONCILIATION

Pell Grant Reconciliation Defined

Pell Grant Reconciliation is the process by which a school reviews and compares Pell Grant data recorded on the Department of Education’s (the Department’s) 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 process where the business and financial aid offices compare disbursement transactions (actual disbursements and adjustments) and related cash transactions (Drawdowns, Drawdown Adjustments, Refunds of Cash, and Returns). If discrepancies are found, the school must document and resolve them in a timely manner.

- **External Reconciliation**

The school compares its reconciled internal records to the Department's records of funds received and returned, and disbursements and cash balances from the Common Origination and Disbursement (COD) System. At a minimum, this reconciliation must 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. The Department offers various tools to assist you with external reconciliation. For more information, see the attachment to this announcement.

Schools may perform Internal and External Reconciliation in either order. However, if you have completed internal reconciliation first, you will have fewer discrepancies to resolve when you perform the 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 the Total Net Drawdowns equals the Net Accepted and Posted Disbursements (NAPD), in the COD System (Cash >NAPD balance should equal \$0.00). This process must be performed within the applicable data submission (closeout) 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 (Closeout) Deadline – The data submission (closeout) 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 2021–22 award year will close on Sept. 30, 2022. After this date, the COD System will not accept upward award or upward disbursement adjustments without prior approval for an extension to the established data submission (closeout) deadline (downward adjustments will continue to be accepted without an extension). If your school needs to request an extension to the data submission deadline, this request must be submitted via the COD website at <https://cod.ed.gov>.
- Funding Cancellation Deadline – Pell Grant funding availability is canceled five years after the data submission (closeout) deadline for the award year. For example, for the 2016–17 Federal Pell Grant award year (July 1, 2016 - June 30, 2017), the funding cancellation date is Sept. 30, 2022 [2017 + 5 = 2022]. After that time, schools will be unable to draw down or adjust further funds via the G5 website (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 (closeout) deadline defined above.

Note: For Pell 2016–17 and forward your school can confirm closeout via the School Balance Confirmation page on the COD website once your school has completed its final reconciliation and reached a \$0.00 Cash>NAPD.

**If you are a DJA client and contract with us for Pell Grant, feel free to contact your Account Representative with any questions you might we have. They can either answer them directly or connect you to a member of our Reconciliation Team.

If you have questions about Pell Grant Reconciliation and are not a DJA contact, we'd love to chat with you on the services we provide and how we can assist you as well. Please contact our Director of Client Services, Kristi Cole, at 1-800-242-0977 or at kcole@gotodja.com. For other questions, please contact the COD School Relations Center at 1-800-848-0978 or direct emails to CODSupport@ed.gov.

To view this Electronic Announcement and also Frequently Asked Questions and Answers on Pell Grant Program Reconciliation, visit this link: [Federal Student Aid: Pell Grant Program Reconciliation](#).

[DJA CALENDAR](#)

[DJA MONTHLY WEBINARS](#)

Consumer Information and Disclosures – Wednesday, February 2, 2022: 11 a.m. CST

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 of \$45 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 Renee Ford at rford@gotodja.com. After registering, you will receive the log-in information. Questions can be directed to Renee by email or by calling toll free at 1-800-242-0977.

2022 DJA WEBINAR SCHEDULE

Please Note the April and May webinars were pushed back a week due to interference with the Department's recently announced Wednesday Webinar Series

FEB 2	Consumer Information, Record Keeping and Disclosures
MAR 2	Administrative Capabilities
APR 13	Satisfactory Academic Progress
MAY 11	Return of Title IV Funds (Including LOA)
JUN 1	General Participation Requirements
JUL 6	Campus Crime Report
AUG 3	Entrance and Exit Counseling
SEPT 7	Cash Management
OCT 5	Enrollment Reporting Using NSLDS
NOV 2	Program Integrity (Audits, Program Review)
DEC 7	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.

