

hot TOPICS



IPD Financial Aid News

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Semi-annual Financial Aid Training—September 12–13, 2005

A semi-annual training session for individuals new to non-term financial aid was held at the Institute for Professional Development (IPD) corporate offices in Phoenix, AZ. Along with financial aid personnel, there were many contract directors and accounting managers in attendance. The day and half session covered a variety of topics. Monday's topics included an overview of the Financial Aid Process, as well as Satisfactory Academic Progress, Professional Judgment, and Scheduling. That evening, the group all went to Rustler's Rooste, Phoenix, AZ and enjoyed tasting the local specialties—including rattlesnake!

Tuesday morning was spent finishing up an interactive session of going through actual participant-provided calendars and determining the award year. The session that generated the most questions was the return of funds calculations. It was decided a future teleconference on this topic would be helpful. Look for announcements regarding this teleconference in November.

For those of you who may have missed this training session or have recently hired new staff, we are planning a second training session this February. Can't wait until February? If there is a sufficient need, we maybe able to travel to your site and conduct the training at your institution. Please let Teresa Corno at teresa.corno@apollogrp.edu know what your training needs are and we will try to accommodate you.



2006 IPD Financial Aid Conference and Commission Meeting

Mark your calendars. The conference will be April 19–20, 2006. John Wise, Chair of the FA Commission has graciously agreed to host the conference this year in Nashville, TN.



Return of Title IV Funds: Projecting Completion Dates for Non-term Credit Hour Programs

Institutions must have a reasonable procedure for projecting the completion date of students in non-term, credit hour programs in which the completion date of the period is dependent on an individual student's progress. The following examples were adapted from the guidance provided in the Department of Education's Dear Colleague Letter: GEN-04-03 Revised:

- ◆ **Situation:** A student is disbursed a Federal Pell Grant and a Stafford Loan while attending a 24 credit hour program at an institution that calculates Return of Title IV on a payment period. The student is expected to complete 12 credit hours each payment period in 15 weeks ($15 \times 7 = 105$ days). The student completes the first payment period by completing 12 credit hours in 120 days (past the original program length of 210 days). As a result, the student is eligible for second disbursements of both his/her Federal Pell Grant and Stafford Loan. On day 53 of the second payment period, the student withdraws having completed 4 credits.
- ◆ **Approach:** On day 53, the student completed one-third of the work (4 out of 12 credits) for the payment period. At his/her current pace of 4 credits completed in 53 days, the student would be projected to complete the additional 8 credit hours in the payment period in 106 days. As a result, the student is not scheduled to complete the 12 credit hours of the second payment period until day 159 (53 completed days + 106 projected days). Therefore, the total number of days in the second payment period would be 159 and the percentage of the payment period completed would be 33.3% (53 days completed divided by 159 total days in the payment period).



Another Possible Approach: For every course that is started but not completed, the number of weeks of that incomplete course would be added to the end of the existing payment period to create a new anticipated end date for the payment period in which the student withdrew.

To read the entire Dear College Letter: GEN-04-03 Revised, "Return of Title IV Aid," click on the following link: <http://www.ifap.ed.gov/dpcletters/GEN0403Revised.html>.

Three-Month Extension for Higher Education Act (HEA)



On September 30, 2005, President George W. Bush signed H.R. 3784, which extends the continuation of programs under the Higher Education Act (HEA) of 1965 for three months (December 31, 2005). This extension is necessary since the one-year HEA extension expired on September 30, 2005.

On September 22, 2005, the reauthorization bill (H.R. 609) was reported (amended) by the Committee on Education and the Workforce (Report 109-231) and placed on the Union Calendar No. 128. However, it is doubtful that the bill will be passed before the end of 2005. (All bills, including authorization bills, having any affect on the Treasury are placed on the Union Calendar in the order in which they are received, but they don't usually come to the floor in chronological order.) Access the Library of Congress at <http://thomas.loc.gov/home/search.html> for the latest status or summary information.

Hurricane Katrina Information—Verification, Dependency Overrides, and Professional Judgment

The U.S. Department of Education's Information for Financial Aid Professionals (IFAP) Library, released "Hurricane Katrina Information-Electronic Announcement #5," dated 9/16/05 for students impacted by Hurricane Katrina, at <http://www.ifap.ed.gov/eannouncements/0916HurricaneKatrinaInfo5.html>.

- ◆ **Verification:** The verification requirements of the regulations will not be enforced for the 2005–2006 award year for any student who is unable to provide the required documents because of the impact of Hurricane Katrina. The institution is required to document when it uses this reason for not completing verification. The institution should use Verification Status Code "S" when reporting a Federal Pell Grant award to the Common Origination and Disbursement (COD) System.



If a student who was impacted by Hurricane Katrina transfers to your institution during the 2005–2006 award year and based on the Institutional Student Information Records (ISIRs) was previously selected for verification, your institution may ignore this selection for these students.

However, it is important to note that nothing in this guidance prohibits an institution from performing verification if it has reason to believe the ISIR information is incorrect.

- ◆ **Dependency Overrides:** An institution that enrolls a transferring student as a result of Hurricane Katrina who received a dependency override at a previous institution may, but is not required to, use the previous institution's dependency override to process the application. To determine if a dependency override was made at the previous institution, look for a value of "1" in the Dependency Override Indicator field of the 2005–2006 ISIR. Before using the ISIR that was a result of a dependency override, the enrolling institution should obtain a signed statement from the student that briefly describes the circumstances that support the previous institution's determination of a dependency override. The enrolling institution must then document in the student's file that they used the Dependency Override Indicator and the student's signed statement as the basis for processing the student as independent.
- ◆ **Professional Judgment:** It is strongly encouraged by the Secretary that institutions consider using professional judgment in order to more accurately reflect the financial need of students and families affected by Hurricane Katrina. When exercising professional judgment, the institution must make its own determination on a case-by-case basis and not rely on determinations from previous institutions.

When a Student Provides Official Notification of His/Her Intent to Withdraw

Official notification of a student's intent to withdraw from an institution occurs when he/she notifies a designated office. In its written withdrawal procedures, an institution must designate at least one office for this purpose. A student has provided official notification if he/she provides notification to an employee of the designated office while that person is acting in his/her official capacity.

Official notification can be provided by the student either orally or in writing. Some acceptable notifications from a student can include notification via telephone, through a designated Web site, or orally in person. The institution is responsible for documenting oral notifications. However, the institution may request, but not require, the student to confirm his/her oral notification in writing. If a student mails a letter to the designated office informing them of his/her intent to withdraw, the withdrawal date is the date the institution receives the letter. Remember, institutions always have the option of using the date of a student's last participation in an academically related activity as long as that participation is documented by a campus official. For further information, see the *2005–2006 Federal Student Aid (FSA) Handbook*, Vol. 5, Chap. 2, pp. 56–57 at <http://www.ifap.ed.gov/sfahandbooks/0506fsahandbookvol5.html>.



Senate Panel Puts Higher-Education Legislation on Fast Track as It Approves Deficit-Reduction Bill

"The U.S. Senate committee that oversees education approved a bill . . . that would cut over \$15-billion—chiefly from government subsidies to private student-loan providers—and use the savings to reduce the federal budget deficit and create two new grant programs for students from low-income families," *The Chronicle of Higher Education* (October 19, 2005) reports. "The panel also put legislation that it had passed in September to extend the HEA for six years (S.1614) on the fast track by attaching it to the budget-cutting measure, which is a top priority of Senate Republican leaders." To read the article by Stephen Burd, please access <http://www.chronicle.com/daily/2005/10/2005101901n.htm>.



2005–2006 Federal Student Aid (FSA) Handbook Available

Chapter 3—Calculating Pell Grant Awards, Volume 3—Calculating Awards & Packaging section of the 2005–2006 FSA Handbook is now posted to the IFAP Web site at

<http://www.ifap.ed.gov/IFAPWebApp/currentSFAHandbooksYearPag.jsp?p1=2005-2006&p2=c>.

Blue Book Now Available



The *Blue Book* is now posted to the IFAP Web site at <http://ifap.ed.gov/bbooks/102005BlueBook.html>. This is the first update to the *Blue Book* since 2001.



IT Eliminates the Financial Aid Global Distribution List

The Financial Aid Global Distribution List has been disabled by Information Technology (IT). In an effort to tighten IT controls and potential exposure to viruses, the list has been deleted. We will continue to publish the contact listing and investigate new ways to communicate electronically. In the meantime, if you should have communications that need to be sent to all financial aid contacts within CAAHE, please forward them to Teresa Corno at teresa.corno@apollogrp.edu for distribution.



Goings On

Dawn Davison gave birth (5 1/2 weeks early!) to a baby girl; Caroline Elizabeth Davison was born Thursday, September 29, 2005, at 1:09 a.m. She weighed 4 lb 11 oz and was 20.5 inches long.



Do you have information about job openings or upcoming events at your institution that you would like to share with other IPD client institutions? Just e-mail the information (including the name of the event or job opening; any relevant dates; and a name, telephone number, or e-mail address of a contact person) by December 1, 2005, to Teresa Corno at teresa.corno@apollogrp.edu, so that your information will be included in the next newsletter.

Editorial Staff

Teresa Corno, Director Corporate Compliance
Katie Anderson, Assistant Editor/Design Layout
Teresa Corno, Dawn Davison, and Kristen Vedder, Contributors

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