

Macias, Wendy

From: [REDACTED]
Sent: Wednesday, June 10, 2009 8:48 AM
To: negreg09
Subject: FW: Suggestion concerning HEOA requirements for paid FAFSA preparers

-----Original Message-----

From: [REDACTED]
Sent: Tuesday, June 09, 2009 2:49 PM
To: [REDACTED]
Subject: Fw: Suggestion concerning HEOA requirements for paid FAFSA preparers

----- Original Message -----

From: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]
Sent: Tue Jun 09 12:53:26 2009
Subject: Suggestion concerning HEOA requirements for paid FAFSA preparers

Section 483(d)(3)(A) and (B) of the Higher Education Act of 1965, as amended by the Higher Education Opportunity Act of 2008, requires paid preparers of the FAFSA to disclose "that the FAFSA and EZ FAFSA are free forms that may be completed without professional assistance via paper or electronic versions of the forms that are provided by the Secretary". Paragraph (C) requires the inclusion of a link to www.fafsa.ed.gov in online advertising and the preparer's web site. But there's a bit of a loophole here that there is no explicit requirement that the www.fafsa.ed.gov address be included in print or other advertising. However, I believe the statutory language concerning the disclosure requirements provides you with enough authority to include such a requirement in regulations and/or guidance and would recommend doing so.

[REDACTED]

[REDACTED]
Publisher of FinAid.org and FastWeb.com
Author, FastWeb College Gold

FinAid Page LLC
[REDACTED]

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Macias, Wendy

From: [REDACTED]
Sent: Friday, June 12, 2009 8:45 AM
To: negreg09
Subject: FW: negreg suggestion

-----Original Message-----

From: [REDACTED]
Sent: Thursday, June 11, 2009 11:25 PM
To: [REDACTED]
Subject: FW: negreg suggestion

From: [REDACTED]
Sent: Thursday, June 11, 2009 11:09 PM
To: [REDACTED]
Subject: negreg suggestion

It seems odd that there's a \$100 tolerance in NSLDS but not for colleges, but the Perkins loan and Pell Grant have a \$25 overpayment tolerance, and there's a \$300 overaward tolerance for campus-based aid and a \$400 verification tolerance, and a \$200 prior school year charges tolerance.

It might be nice to rationalize all of these tolerances so that there is a consistent unified set of just one tolerance amount for overpayments, overawards and verification, and the same set is used by NSLDS.

See below for an example of how a school got tripped up by this.

Mark

-----Original Message-----

From: [REDACTED]
Sent: Thursday, June 11, 2009 11:05 PM
To: [REDACTED]
Subject: RE: Backgrounder: Income-Based Repayment (IBR) Available Starting July 1, 2009

To my knowledge, there is no tolerance for colleges for Stafford loan amounts. (The overaward tolerance is not applicable to this situation. There is an overpayment tolerance of \$25 for grants and Perkins loans in 34 CFR 668.35(e)(3), but none for Stafford loans.)

You should confirm that the \$23,044 does not include interest or other charges, as the aggregate limits do not include either of those. But if this was purely disbursed loan amounts, the student should have repaid the \$44 before becoming eligible for the increased unsubsidized Stafford loan limits. This is discussed in Volume 3 of the 2008-09 FSA Handbook. The relevant regulations are in 34 CFR 668.35(d).

You should treat a NSLDS flag of "Close" as requiring review before more loans can be certified.

[REDACTED]

-----Original Message-----

From: [REDACTED]

Sent: Thursday, June 11, 2009 7:45 PM

To: [REDACTED]

Subject: Re: Backgrounder: Income-Based Repayment (IBR) Available Starting July 1, 2009

Hello, [REDACTED] --

I'm hoping you can shed some light on loan aggregates for me.

We are in the midst of our annual audit. One of the students selected borrowed \$23,044 in subsidized loans prior to 08-09.

Our system (Banner) uses the NSLDS flags to determine if students have exceeded their aggregates. The student in question has an NSLDS flag of "Close," even though she's exceeded her aggregate. I've spoken with Jim Yoder, from Vantage. He indicated that beginning with 04-05, a \$100 tolerance was instituted by NSLDS. This means that students who have borrowed no more than \$100 in excess of their aggregates are flagged as "Close" rather than "Exceeds." Because of the NSLDS tolerance, our system read the "Close" flag for the student's subsidized aggregate, and awarded an unsubsidized loan to this student.

Our auditors will cite us for awarding the student at all, unless we can provide written documentation that institutions are allowed the same \$100 tolerance that NSLDS uses.

Is this something you're familiar with or have worked with?

Any information you can provide is greatly appreciated.

Thank you.

Kathleen

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

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