Introduction

i

This volume of the Federal Student Aid (FSA) Handbook discusses the eligibility requirements for students and parent borrowers and your responsibilities to ensure that recipients qualify for their aid awards.

SOURCES OF INFORMATION

There are many factors you must consider when reviewing an application for aid from the FSA programs, such as whether the student is a U.S. citizen or permanent resident, whether he is making satisfactory academic progress, and whether he has a defaulted FSA loan. To answer these questions you receive information about the student from different sources, including the Department of Education's Central Processing System (CPS) for financial aid applications and the National Student Loan Data System (NSLDS).

Throughout the year, the Department provides updates to schools in the form of dear colleague letters (DCLs). These and other releases, such as *Federal Register* notices and announcements containing system updates and technical guidance, are available on the Information for Financial Aid Professionals (IFAP) website (**www.ifap.ed.gov**).

The FSA Handbook doesn't cover the operation of software. For schools using software from the Department, there are technical references on the FSA Download website (see the margin) that explain how the software operates. Schools using third-party software should consult the vendor's reference materials for technical guidance.

RECENT CHANGES

- Trial periods of enrollment sidebar guidance expanded, Chapter 1: You may offer trial periods of enrollment to allow a student to "try out" a program, without incurring charges or receiving Title IV aid, before deciding to continue the program as a regular student.

- Due to the passage of the Consolidated Appropriations Act of 2012, students who do not have a high school diploma or equivalent and did not complete secondary school in a homeschool setting can no longer gain eligibility for Title IV funds by passing an "ability-to-benefit" test. This is fully explained in Chapter 1.

Program and systems information online

www.fsadownload.ed.gov

Software:
- Direct Loan Tools
- EDconnect
- EDExpress for Windows
- SSCR for Windows

Technical References and User Guides for:
- CPS (ISIR, Summary of Changes, etc.)
- COD
- Electronic Data Exchange
- EDExpress Packaging

www.ifap.ed.gov
- Federal Registers
- Electronic Announcements
- Dear Partner/Colleague Letters
- FSA Assessment modules: Student Eligibility— **www.ifap.ed.gov/qahome/ qaassessments/studentelig.html**

  Satisfactory Academic Progress— **www.ifap.ed.gov/qahome/ qaassessments/sap.html**

Questions about FSA policies

For questions about federal student aid policies, contact the Research and Customer Care Center: fsa.customer.support@ed.gov or 1-800-4ED-SFAP. When referring students to the Department of Education, please have them call 1-800-4-FED-AID.

- SAR Comment code guidance added to sidebar in Chapter 1 for drug convictions self-certification.

- Guidance on how homeschooled students dual enrollment impacts institutional eligibility has been revised in Chapter 1: Schools can now potentially be a Title IV eligible institution while admitting dual-enrolled homeschooled students.

- Link to Satisfactory Academic Progress (SAP) Q&A website added to sidebar in Chapter 1: http://www2.ed.gov/policy/highered/reg/hearule-making/2009/sap.html

- The regulatory definition for full-time enrollment status (for under-graduates) has been revised to allow a student to retake (one time only per previously passed course), any previously passed course. For full details, see Chapter 1.

- Added guidance on eligible noncitizens' requirement to update DHS and SSA when the applicant's name changes, sidebar, Chapter 2.

- Clarified that although you may calculate and package aid using data from photo-copied documentation, the student must present original documentation that verifies he/she is a citizen before you disburse, Chapter 2.

- Jay Treaty guidance (for students with 50+% Native American blood who were born in Canada) revised, Chapter 2.

- New G-845 form added, along with accompanying sidebar guidance, Chapter 2. Also added G-845 paper secondary confirmation form guidance: Section A (The section you fill out), revised Sections B & C (Interpreting the USCIS response, USCIS comments).

- Repopulating transfer monitoring list sidebar added, Chapter 3: NSLDS Professional Acess offers a Transfer Monitoring Re-populate web page that enables you to re-populate your TSM list of students from the Inform list used during a prior period so you can continu-ously add from one monitoring time period to another.

- Pell Duration of eligibility rule changed, Chapter 6: All students may receive Pell grants for up to 12 semesters, measured by percentage of Scheduled Awards(s) disbursed ("Lifetime Eligibility Used," or "LEU" field in COD up to 600%). This limitation is not limited to students who received their first Pell Grant on or after July 1, 2008, as was the previous limit of 18 semesters.

- Note added to Chapter 6 re: change in Graduate/Professional stu-dent loan eligibility: A graduate/professional student no longer quali-fies for subsidized loans for coursework that is not part of a prepara-tory or teacher certification program.

If you have any comments regarding the FSA Handbook, please contact Research and Publications via e-mail at fsaschoolspubs@ed.gov.