Introduction

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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

Chapter 1

- Sidebar on checking foreign diplomas added.

- Academic qualifications guidance expanded—homeschool students qualification description added, state regulations link added to sidebar.

- Ability-to-Benefit (ATB) test guidance expanded.

- SAP new/conflicting information requirements sidebar added.

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.

- SAP grades and pace of completion subsection clarified—your school's policy must specify that both qualitative and quantitative standards are reviewed at each evaluation point, and must include a cumulative standard. Also, a student is ineligible when it becomes mathematically impossible for them to complete their program within 150% of the length of the program.

- Sidebar guidance on eligibility and enrollment status for retaking coursework expanded.

- Local and municipal drug convictions no longer can disqualify a student for FSA funds.

Chapter 2

- Contacting USCIS sidebar added.

- Certifications of Report of birth and Consular Report of Birth Abroad sidebar added. The FS-240 has been redesigned. The DS-1350 is no longer issued; however, all previous DS-1350s are still valid.

- Under certain circumstances, the I-94 will no longer be issued to students who are not refugees, asylees, or parolees. See eligible non-citizens and documentation section.

- Asylees abroad and eligibility sidebar added.

Chapter 3

- Sidebar on unusual Pell enrollment history flag added.

- Checking discharge status with loan servicer sidebar guidance added.

Chapter 4

- Social Security number guidance for the Freely Associated States revised.

Chapter 6

- Parent borrower eligibility section expanded.

- 150% duration of eligibility for Direct Subsidized Loans described.

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