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# Introduction



*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.*

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## 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](http://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

The biggest changes for this volume for 2011–2012 are a result of the Program Integrity regulations package that was published in the *Federal Register* on 10/29/10. In Chapter 1 the ability-to-benefit (ATB) and satisfactory academic progress sections were rewritten because the pertinent regulations are new.

The Department has provided guidance on trial periods of enrollment in DCL GEN-11-12. We note this on page 3.

We added guidance on pages 6 and 7 relating to the new administrative requirement to check the validity of a student's high school completion when there is a question about the diploma not being valid or coming from an entity that does not provide a secondary school education, i.e., a "diploma mill."

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## Program and systems information online

### [www.fsadownload.ed.gov](http://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](http://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](http://www.ifap.ed.gov/qahome/qaassessments/studentelig.html)

Satisfactory Academic Progress—

[www.ifap.ed.gov/qahome/qaassessments/sap.html](http://www.ifap.ed.gov/qahome/qaassessments/sap.html)

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## Questions about FSA policies

For questions about federal student aid policies, contact the Research and Customer Care Center:

[fsa.customer.support@ed.gov](mailto: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.

Because second Pell grants within an award year have been eliminated, we have removed text relating to them in this volume.

On page 15 we added a margin note clarifying how enrollment status is determined for students with intellectual disabilities since their comprehensive training programs can contain work for which the school awards no credit.

On page 16 we noted that FSA funds can only be awarded for instruction that is provided or overseen by the school.

We reorganized Chapter 2 to gather similar topics and make the material easier to understand and reference. We added to the margin on page 31 and the guidance on parolees on page 33 that U.S. Citizenship and Immigration Services will release a new G-845 form in 2011. On page 43 we added newer images of the permanent resident card. Also in this chapter, we noted that U.S. nationals can possibly include persons born in the U.S. Minor Outlying Islands.

On page 51 we added to the section on total and permanent disability discharges and distinguished between loans that were discharged on or after July 1, 2010, and those conditionally discharged before that date.

We modified the margin note on page 65 regarding the backlog in requests for status information letters from the Selective Service System.

We removed Chapter 6 from last year's edition of *Student Eligibility* because it covered Academic Competitiveness and National Science and Mathematics Access to Retain Talent grants, and those grants have not been extended by new legislation.

We removed guidance from Chapter 6 on LEAP grants and Byrd scholarships as those programs have been defunded.

We added the definition of undergraduate student in the margin of page 67 and modified the text in the body of that page to make it clear that students with a master's degree are not eligible for Pell grants in any circumstance.

We replaced the margin note on refusing or reducing loans on page 70. The old note cited the law, while the new one cites the corresponding regulations, which are clearer.

We noted on page 70 that incarcerated parents are not eligible to receive PLUS loans.

On page 72 we noted that not all students who receive Federal Supplemental Education Opportunity Grants will necessarily have received Pell grants.

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