



U.S. Department of Education
1998 Electronic Access Conferences



Session 5

New Pell Grant Reporting - Part 1

Overview of the Recipient and Financial Management System (RFMS)





Presenters

- Department of Education
 - Paul Hill Jr.
 - Anthony Laing
- CDSI
 - Sherry Weir



Objective

- Provide an overview of the new process for the Federal Pell Grant program.



Topics

- Why Change the process?
- Summary of New Pell Grant Process
- Benefits to schools
- Pilot
- Resources



Why Change the Process?

- Financial Aid Community Input
- MANY THANKS TO ALL WHO PROVIDED INPUT INTO THE NEW PROCESS!!!!!!!!!!!!!!!!!!!!!!



Why Change the Process?

- Modernization of Pell Grant System
 - Significant hardware and software upgrades
- Move towards common processing across Title IV SFA programs
 - Project EASI



Project EASI ***(<http://easi.ed.gov>)***

A collaboration to:

- Reexamine customer needs
- Improve and integrate customer access to information and funds
- Modernize with state-of-the-art technology and business processes

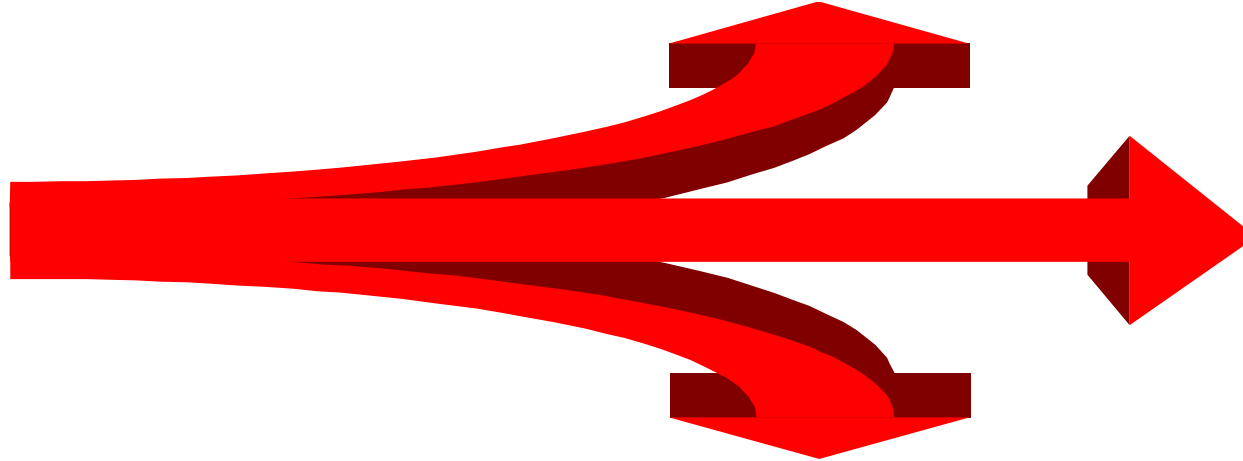


Dept. of Education Vision

- Student-centered
- Single point of contact
- Streamlined and simple process
- Secure, accessible data with standard definitions in standard formats
- Improved program integrity and oversight with reduced costs



Summary of the New Process

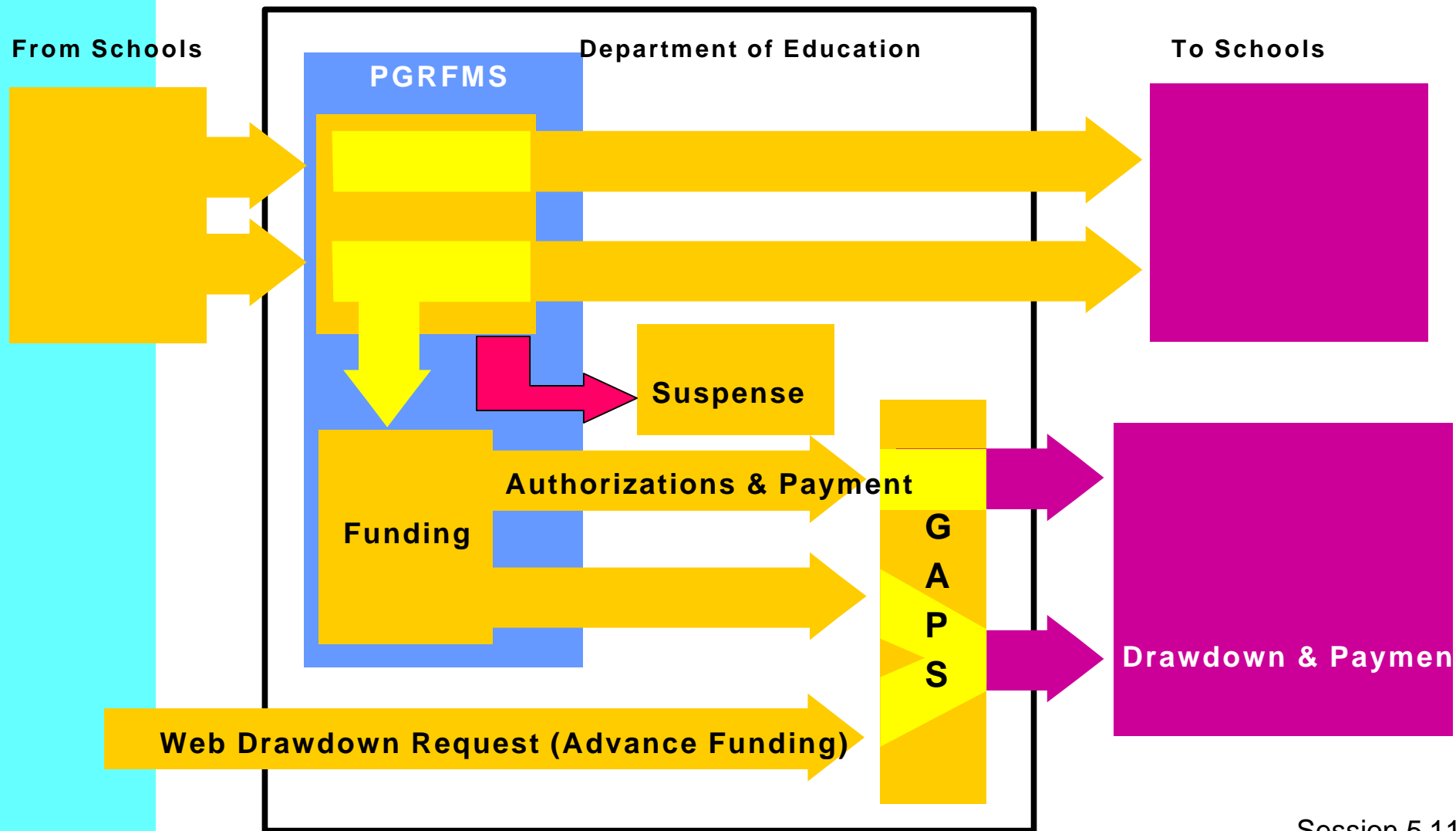


Comparison with the Current Process

Other Enhancements

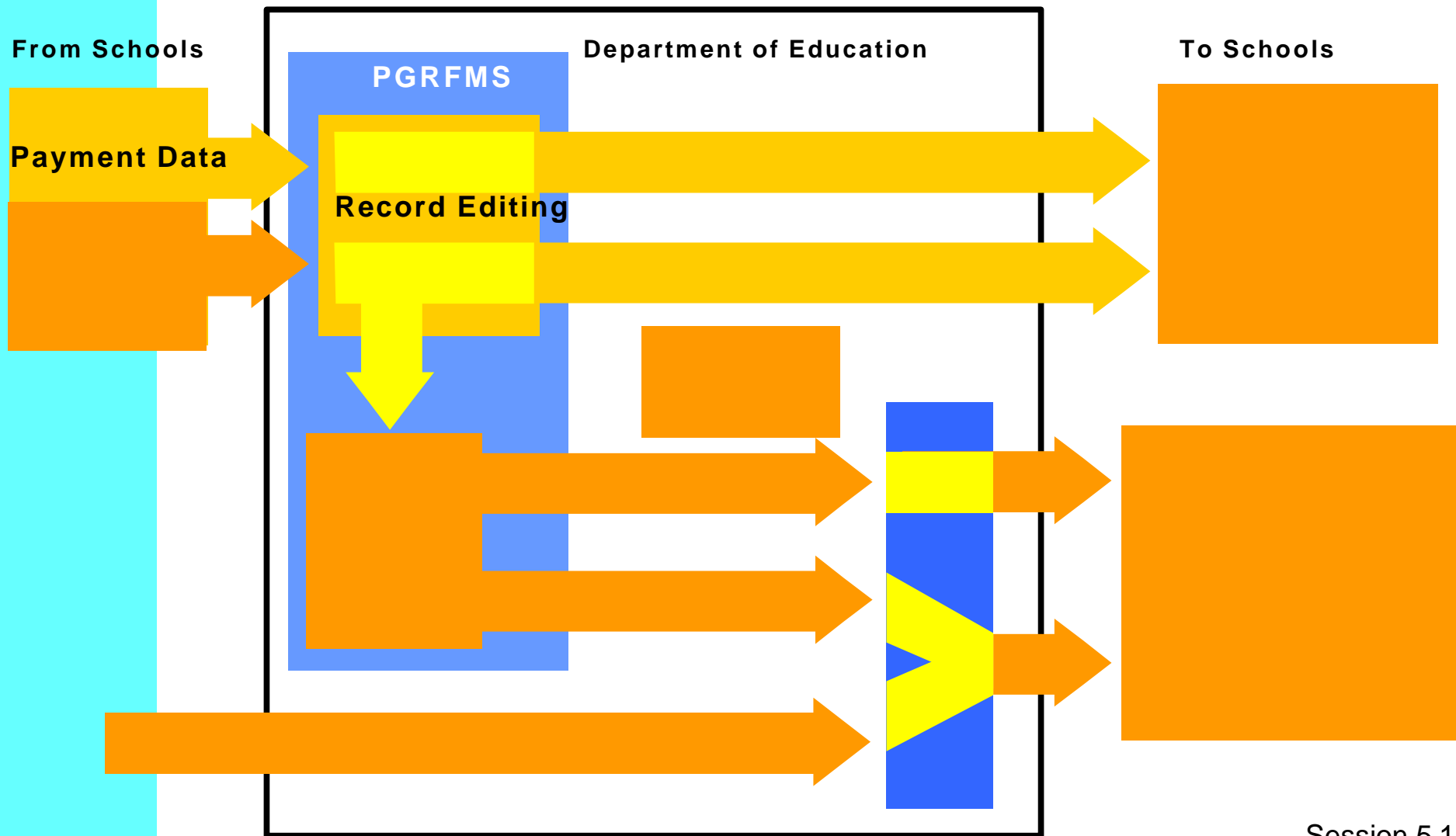


Current Federal Pell Grant Program - PGRFMS





PGRFMS - Payment Data



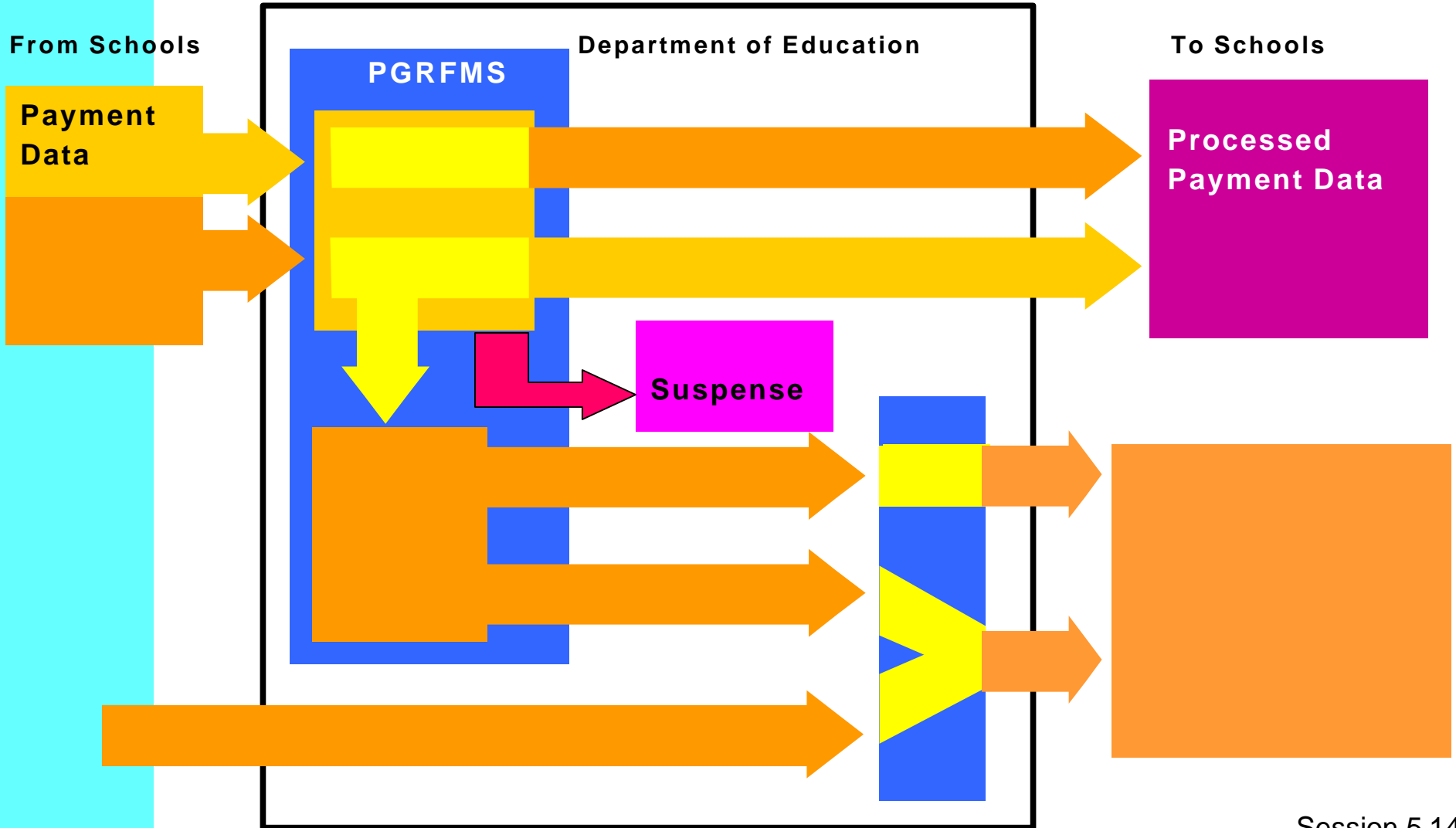


Current Federal Pell Grant Process

- Payment Data Request received from Institution includes all payments
 - Student Identification



PGRFMS - Suspense or Approval





Current Federal Pell Grant Process

- Edit function processes or suspends
- Processed Payment Data Record returned
 - Assumptions



Current Federal Pell Grant Process

- Manual Accounting approval
- Authorization increases sent to GAPS
- ESOA/SOA sent to Institution

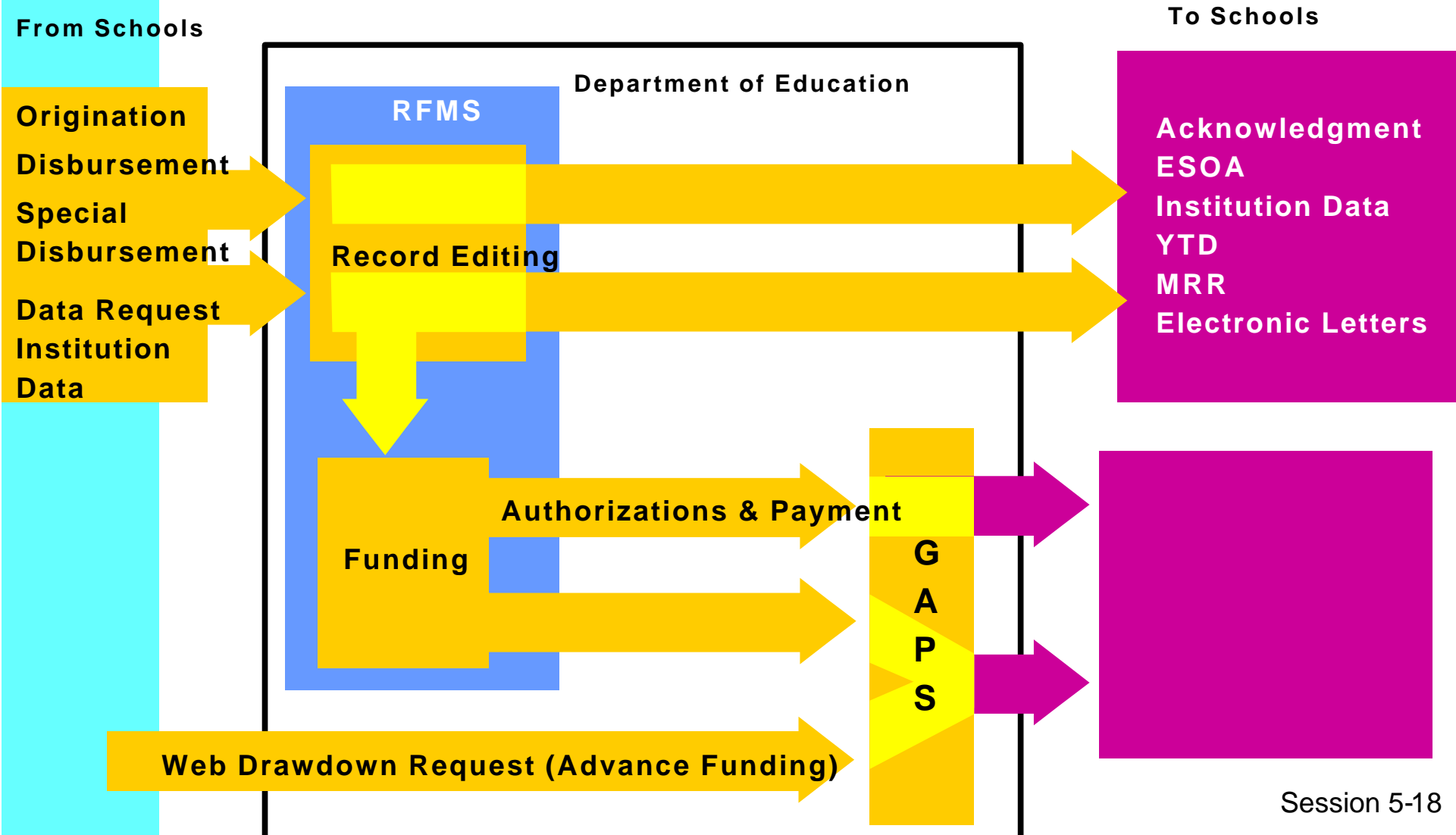


New Federal Pell Grant Process

- New record formats for reporting Pell Grant
 - Origination
 - Disbursement or Special Disbursement
- All institutions use new layouts in 99-00



New RFMS Process



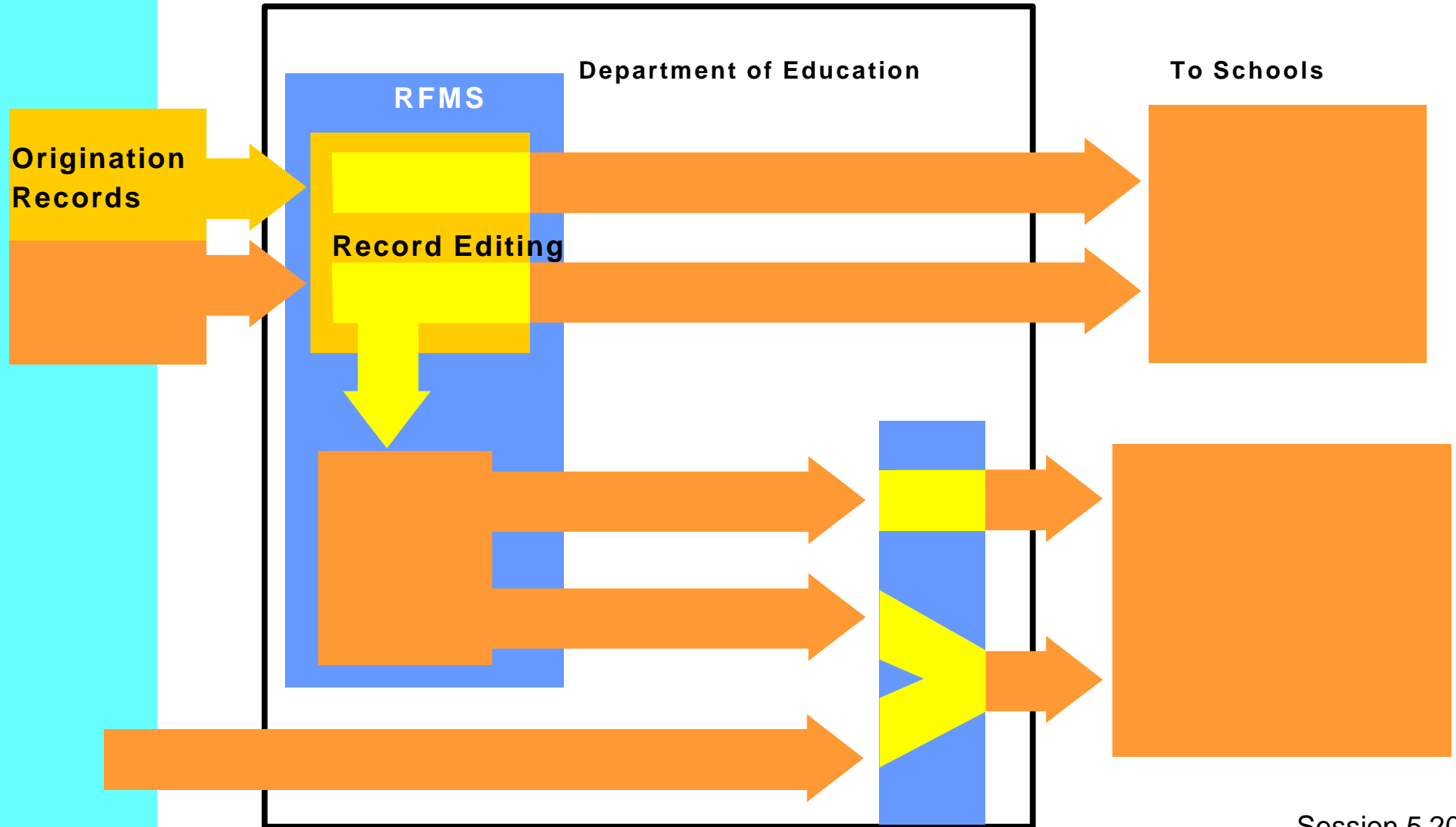


Origination

- Basically same data as in current Pell Payment Data without payment amounts
- Full editing with the acknowledgment
- Submitted anytime before or with initial



Origination





Origination Record

- Origination Fields - page 7
 - Origination ID
 - 9999999999XXYYYY999999900
 - SSN, Name Code, Year, Pell ID, Seq. No. (always
 - Original SSN
 - Original Name Code
 - Attending Campus Pell ID

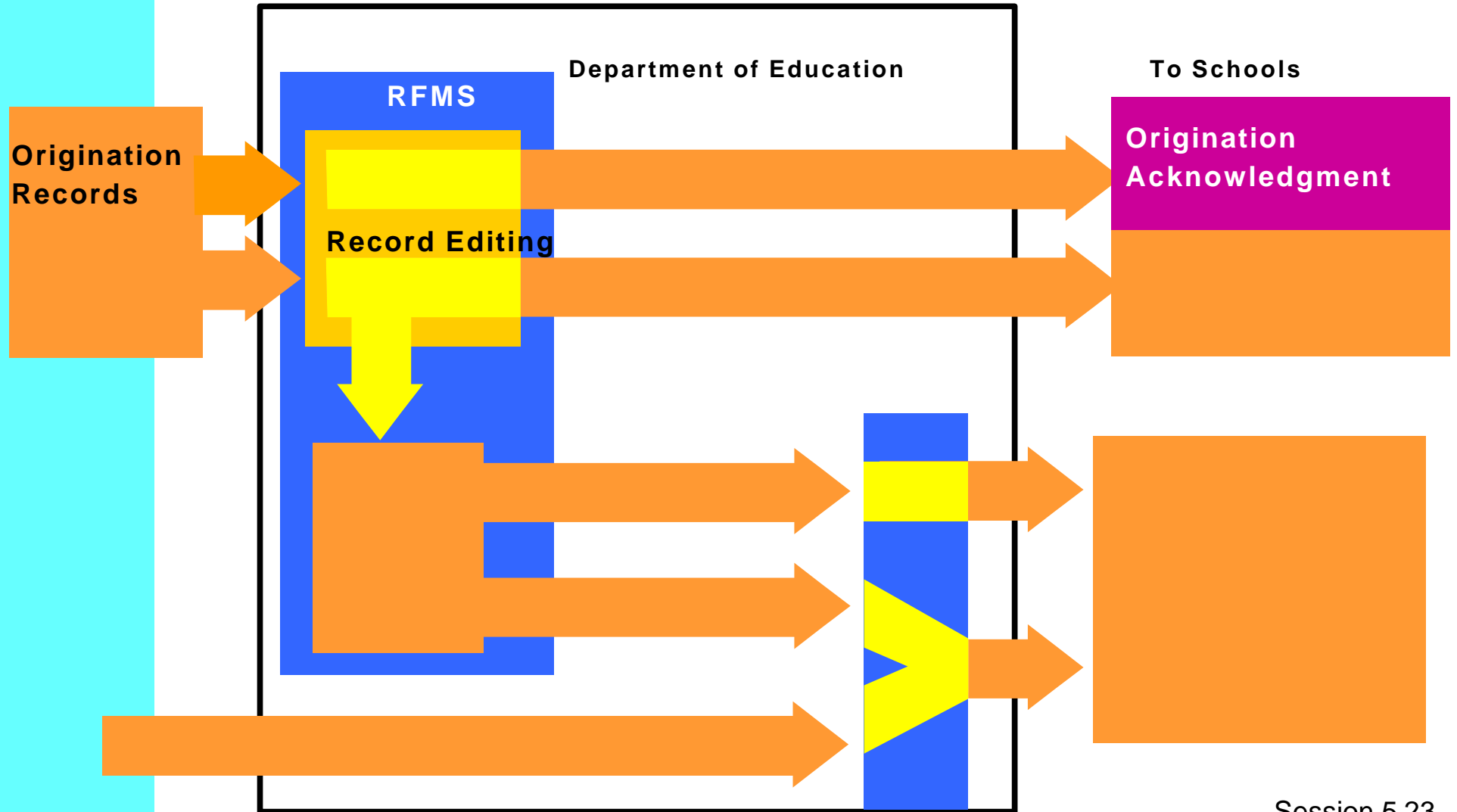


Origination Record

- Fields - cont.
 - Award Amount for entire school year
 - Eligibility fields
 - Transaction No., EFC, Sec EFC flag, Verification
 - Award fields
 - A.C., Pay Method., COA, Enroll Status, Weeks,
 - Estimated Disbursements (up to 15 dates - no



Origination



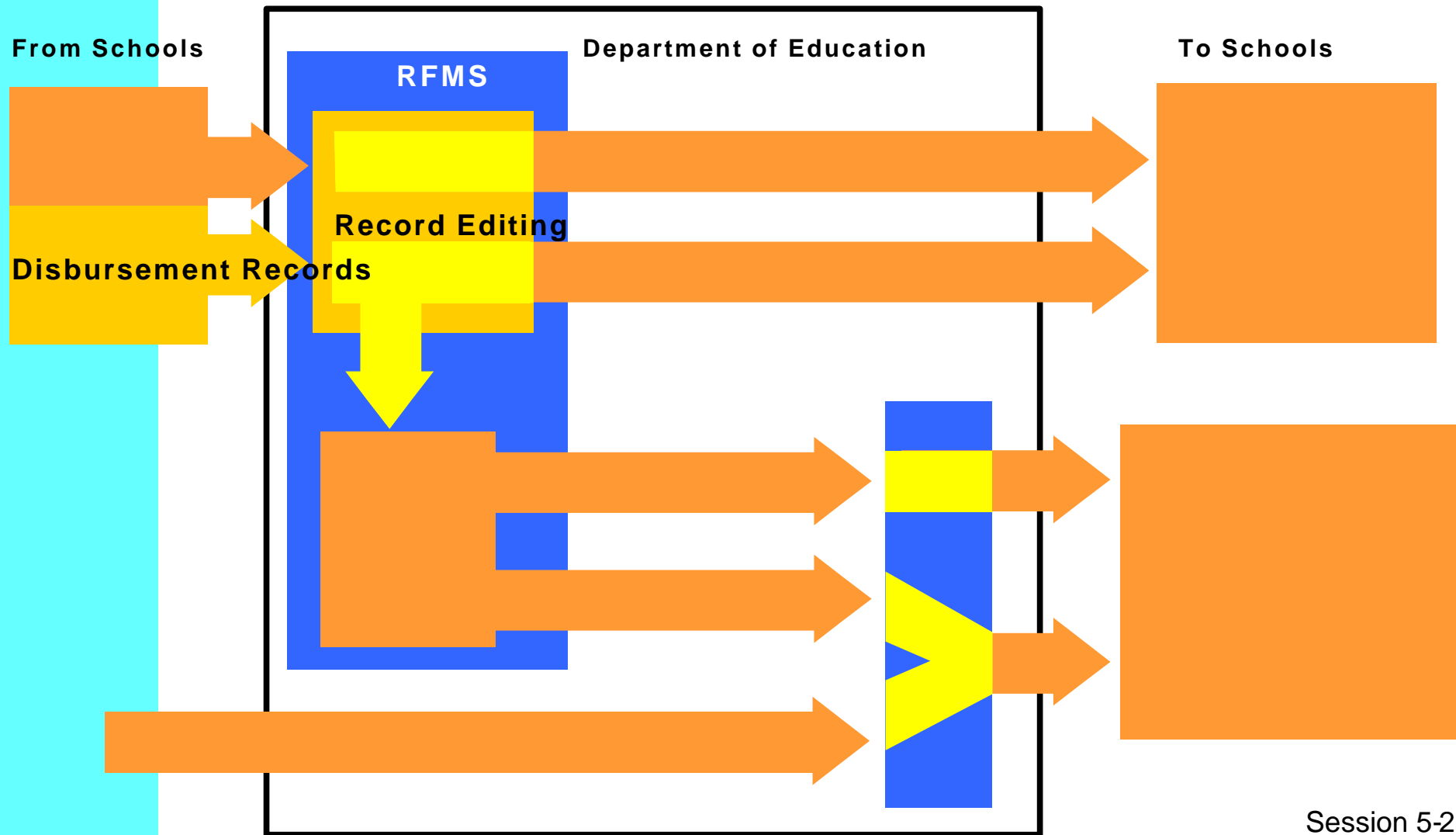


Disbursement

- Contains simple payment data
- Submitted up to 30 days prior to disbursement date



Disbursement





Disbursement Record

- Disbursement Fields - page 20
 - Origination ID
 - Disbursement Reference Number
 - Disbursement Amount
 - Disbursement Date
 - Debit/Credit Indicator (P/N)





Special Disbursement Record

- Contains payment period specific data
- Fields - pg 16
 - Payment Period Number
 - Payment Period Start and End Dates
 - Total Payment of the Payment Period
 - Payment Period Award fields
 - AC., Pay Method, COA, Enroll Status, Weeks,

These values for Payment Period only, not entire



Statement of Account Record

- New Fields - page 30
 - Obligation Amounts (previous, adjustment ,

YTD Disbursement Amounts (previous,
adjustment, and current)
- New Detail record listing each transaction
from RFMS to GAPS - page 32



Data Request Process

- Similar to current process
 - YTD only, SPS eliminated
 - New Multiple Report Request added
 - Identifies students originated at your school and originated or disbursed at another school
- Requests can be for all students, specific students, or students at specific school
- All students must be originated at requester



Multiple Reporting Record

- Multiple Reporting Record fields - page 39
 - Request data
 - Student information
 - SSN, Name Code, Orig Award Amount, Trans No., EFC, Enrollment Date, Total of Disbursements,
 - School information
 - Institution Pell Id
 - Institution Name and address
 - FAA name, phone, fax, and internet e-mail address



- **Batch Status**
- **Financial Information**
- **Data Requests**



Other Enhancements

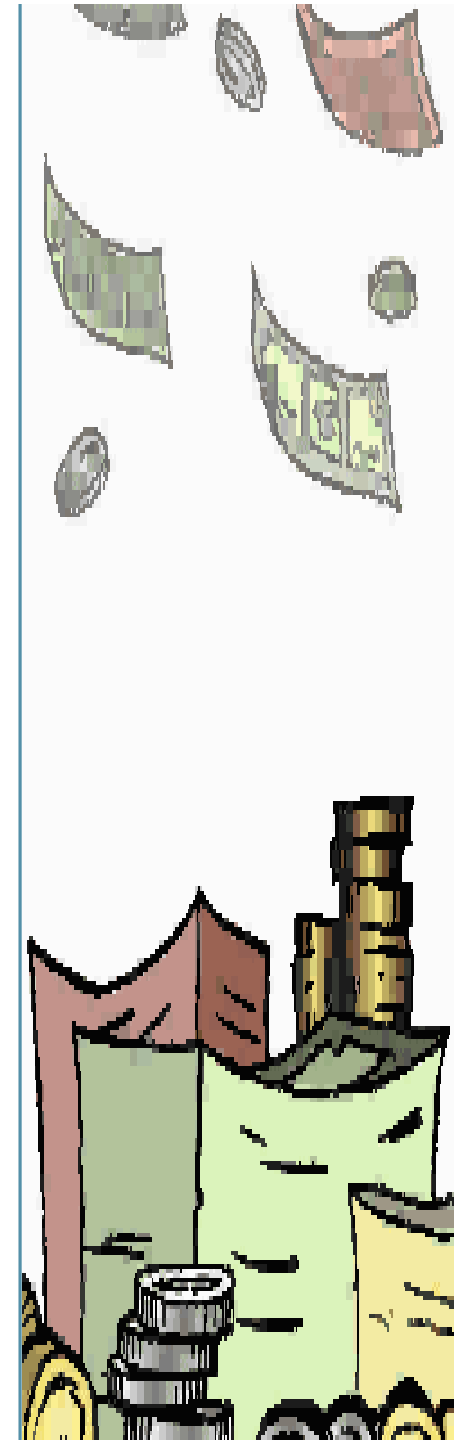
- **PC Pell Payment Software**
 - Included in EDExpress software
 - **Pell Origination TAB**
 - **Pell Disbursement TAB**





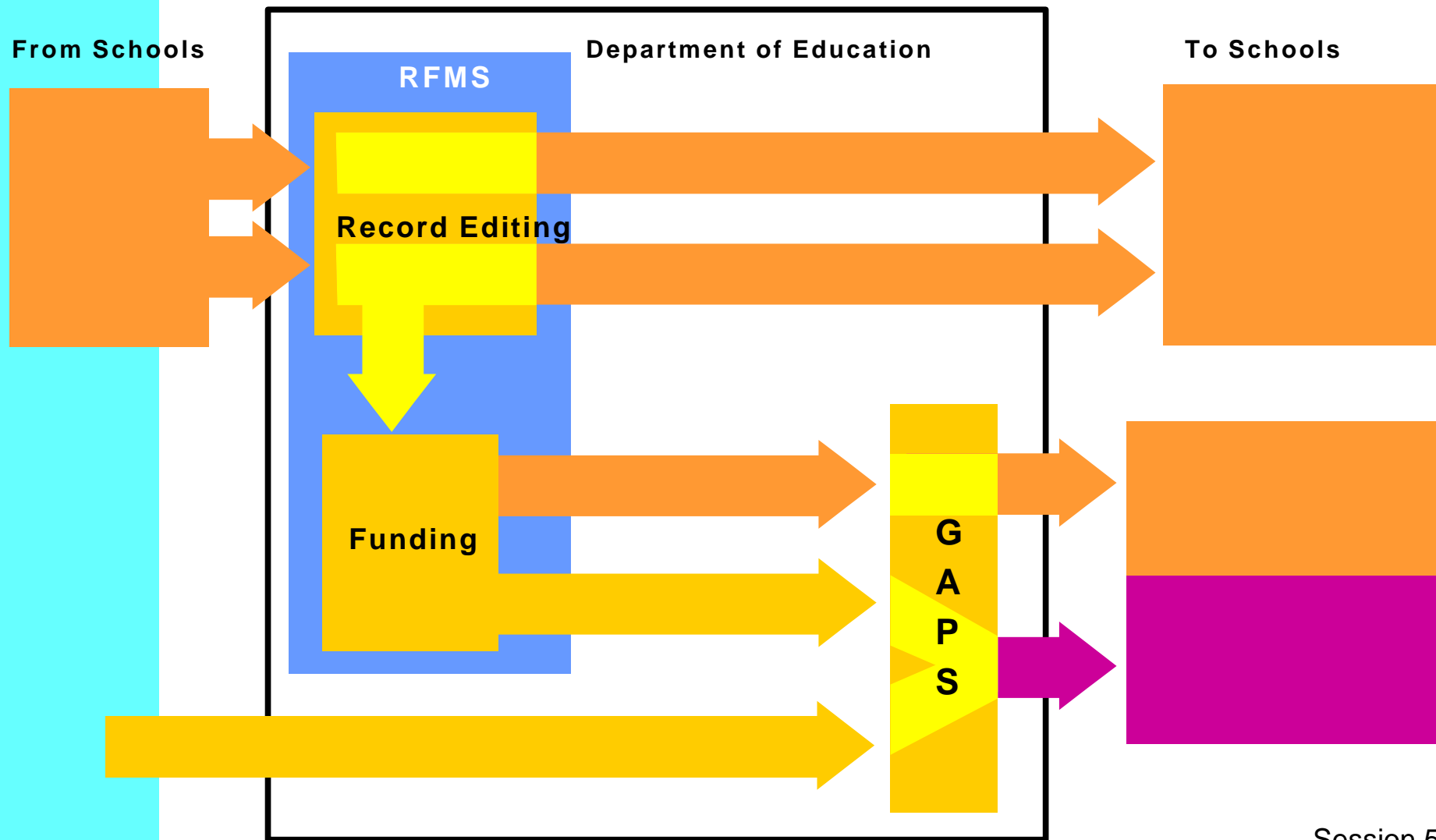
Current Funding Process

- **Current Process - 1998-99**
 - **Advance Funding**
 - **Initial Authorization**
 - **Student level records drive Authorization Levels**
 - **Drawdown by program and award year**





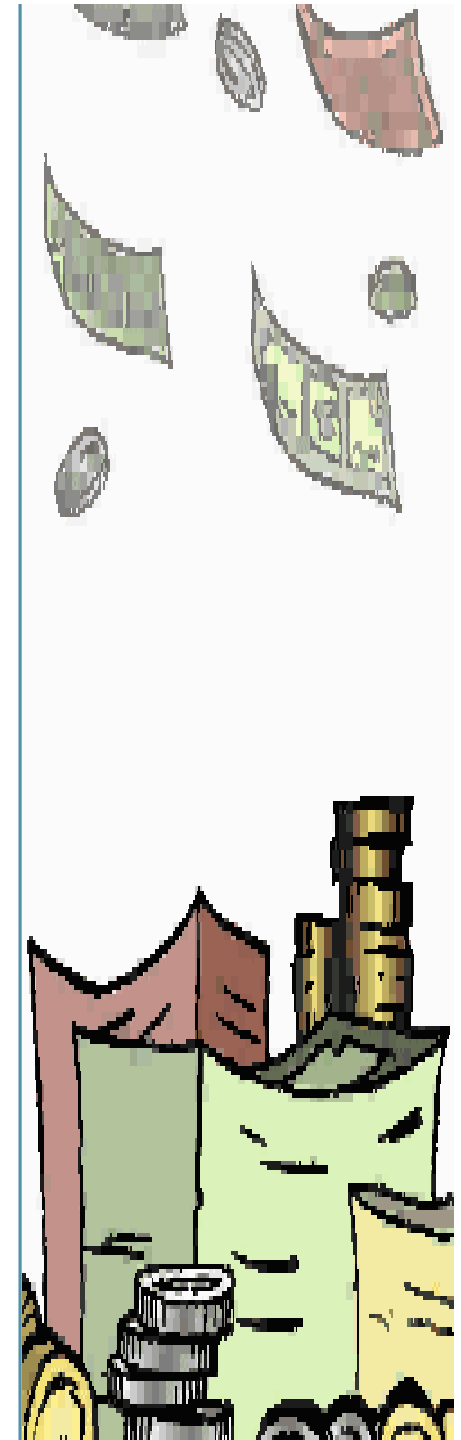
Current Funding





New Funding Process

- Process for ALL schools in 1999-2000
 - Origination and Disbursement Records
 - Initial Authorization
 - Disbursement Records drive Authorization Level
 - Drawdown by program and award year





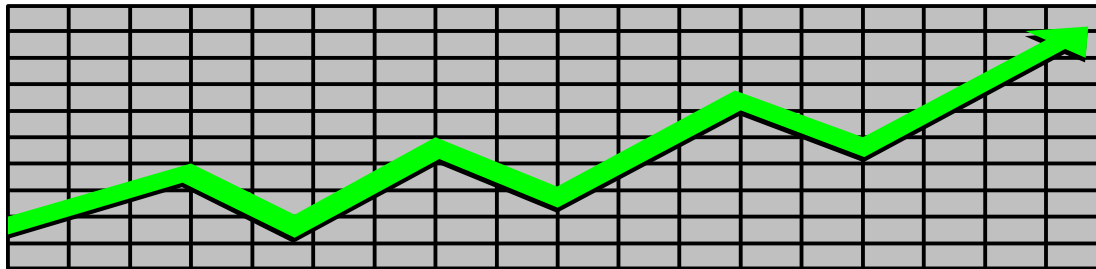
Benefits to Schools





Benefits to Schools

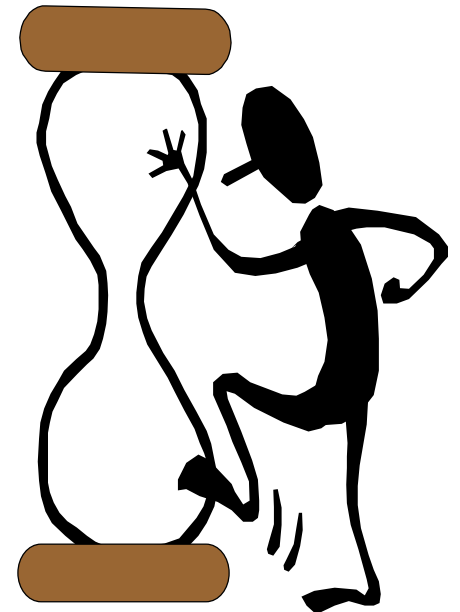
- **Origination Record**
 - Sets the stage - establishes student's
 - Corrects information up front
- **Disbursement Record**
 - Commits Funds
 - Requests immediate funding





Benefits to Schools

- Improved Turnaround Time
 - RFMS GOAL => 24 to 36 hours
 - Real time processing rather than nightly processing
- Acknowledges every record sent





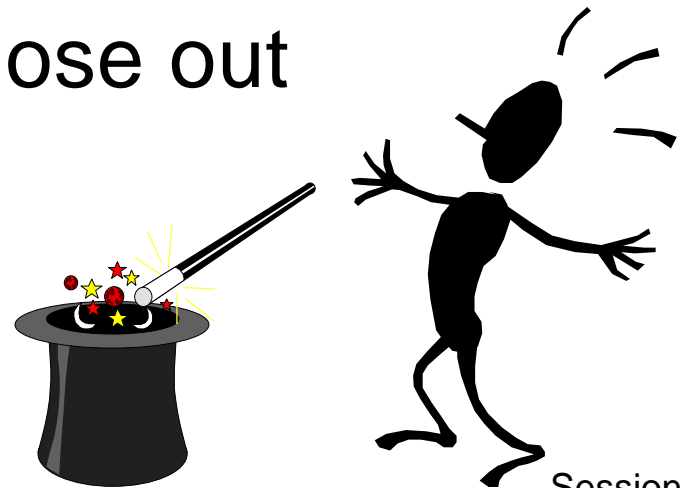
Benefits to Schools

- **Minimizes POP problem**
 - Origination record prescreens eligibility
 - Multiple Reporting Record (MRR)
automatically sent
 - Disbursement occurs closer to actual
- **Reduces Shared SAR ID Problem**
 - Origination record spots students using



Benefits to Schools

- Standardizes electronic transactions
- Reduces number of decrease awards
- Minimizes reconciliation between the Business Office and FAO
- Simplifies end-of-year close out





Just-In-Time Funding Pilot

- No Initial Authorization
- Funds automatically deposited into the school's account
- No school drawdown from GAPS
- Regulatory Relief





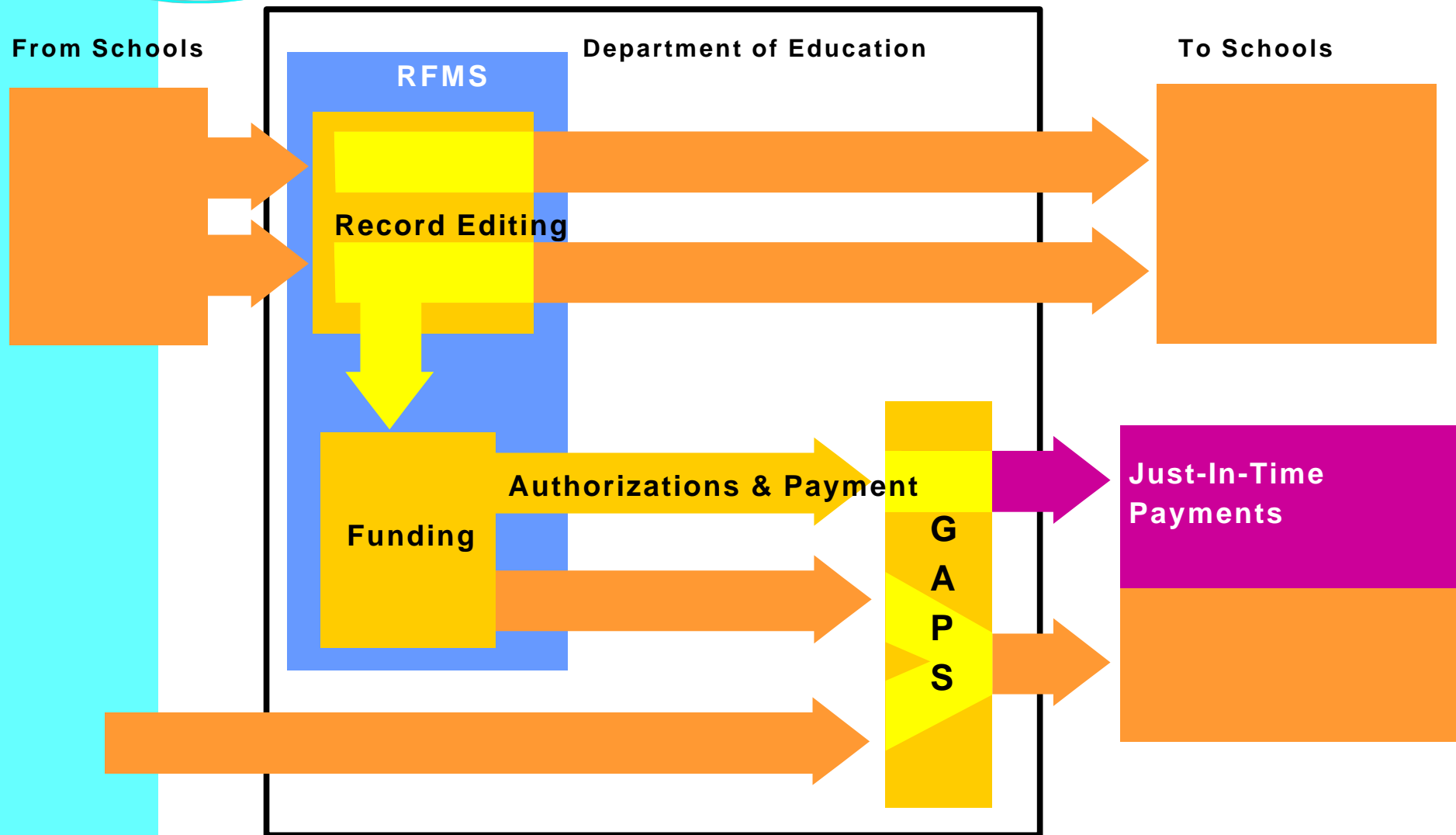
Just-In-Time Funding Pilot

- Regulatory relief under Cash Management Regs published 11/29/96
 - 3-Day-use rule
 - Excess-cash rule
 - Re-verification of eligibility
 - Interest bearing account rule





Just-In-Time





Just-In-Time Funding Pilot

- 1999-2000
 - Pilot
- 2000-2001 and future
 - Add More Schools

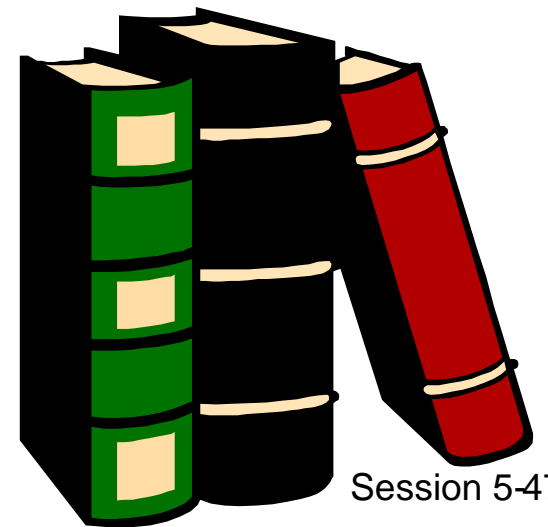




Conclusion

- Start new process for **1999-2000** Award Year
- Start sending RFMS origination records prior to July 1st
 - ED will announce origination start-up date
- Start sending disbursement records July 1st for 1999-2000 award year
 - Initial record sent with or after the origination

Resources





Resources

- Brochure in bag
- Draft Record Layouts
 - Available at session
- Pell Grant Fact Sheet
 - Available at <http://ifap.ed.gov>
- Series of ED Letters
 - Implementation direction and guidance
<http://ifap.ed.gov>



Resources

- Upcoming conferences
 - Regional, State, and Vendor conference
- Training for Users
 - Fiscal Officer Training: Jun-Aug 1999
 - FAA Training: March-June 1999
 - **EDExpress Pell Software Training**



Resources

■ Web Sites

- <http://ifap.ed.gov>
- Under “Bookshelf”: ‘Pell Grant Process: All 1999-2000 Recipient Financial Management System (RFMS) information/documents/materials are available here’.

■ 1-800-4PGRANT (1-800-474-7268)

■ Videoconference - October 1998

- 1-800-4FEDAID



RFMS STATUS

- Record Layouts distributed early
- EDEExpress Tabs developed
 - Origination
 - Disbursement
- System to complete testing 4/99