I. INTRODUCTION

This guide will assist financial aid administrators (FAAs) in interpreting student information, whether the information appears in a Student Aid Report (SAR), which is a paper output document that is sent to the student, or in an Institutional Student Information Record (ISIR), which is an electronic record that is sent to the institution.

The term ISIR refers to all processed student information records that are sent electronically directly to institutions by the Central Processing System (CPS). SARs and ISIRs contain the same processed student information in different formats.

ISIRs are records sent to an institution through the Electronic Data Exchange (EDE), the Department's electronic service that allows institutions to send and receive electronic data to and from the CPS and other SFA systems. Drafts of the 2000-2001 ISIR record layout for institutions and state agencies have been provided at conferences beginning in July 1999, and can be downloaded from IFAP in portable document format at: http://ifap.ed.gov

This *Guide to 2000-2001 SARs and ISIRs* explains codes and flags that appear as FAA information on the SAR and ISIR. Each code and flag described in the guide—rejects, database matches, comment codes, and so forth—has the same meaning whether it appears on a SAR or an ISIR. The format for presenting the codes may vary slightly for each type of output.

Although the changes to the design and data elements on the 2000-2001 Free Application for Federal Student Aid (FAFSA) have required corresponding changes to the SAR and ISIR, we made very few changes to the 2000-2001 application processing system. Much of the information in this SAR/ISIR Guide remains the same as for 1999-2000.

2000-2001 Major System Changes

Changes to CPS Edits

Number in College:
Changes to the assumptions performed by the CPS include revisions to the assumptions for parents' number of family members in college. Because parents are no longer to be included in this field, if the number of family members and the number in college are equal and greater than one, number in college will be assumed to a value of one. The assumption override for this edit that currently can be set by the financial aid administrator when using EDExpress or by students who are using FAFSA Express, FAFSA on the Web, or Renewal FAFSA on the Web has been deleted and the subsequent override codes renumbered. However, this assumption will not be applied if an FAA submits a change using professional judgment.

Earned Income Credit:
We changed the way we edit earned income credit values. When an amount reported by a tax filer is greater than the allowable maximums, we will continue to change the EIC fields to the maximum allowable amount. However, CPS will suppress this edit when the amount initially reported is reentered on a correction. Non-tax filers are not subjected to this edit.

Taxes Paid:
An edit has been added to generate a comment when the reported taxes paid amount is equal to or greater than 35% of the Adjusted Gross Income reported. The AGI and taxes paid fields will also be printed in boldface on the SAR.

Drug Offense Convictions:
New edits have been added for the new data elements on the FAFSA. For the drug conviction eligibility question, if the student answers "Part-year eligibility(2)", "Ineligible/don't know (3)", or leaves the question blank, a comment and a SAR "C" Code will appear on the SAR and ISIR. In addition, when the answer is 3 or blank, a drug eligibility worksheet that

explains how to answer this question and tells students what to do next will be mailed with the SAR (see Appendix H). A comment will also appear if the student changes a 2 or 3 response to "Eligible (1)". Guidance and instructions as to how FAAs can resolve drug conviction student eligibility edits will be included in an upcoming Dear Partner Letter and in other SFA training and publications.

Parents' Name and SSN:
Edits have also been added for Father's and Mother's SSN and last name. For dependent students, if no parental SSNs and names are provided, a comment will appear and the fields will be printed in boldface on the SAR. If the student's SSN and the parent's SSN are reported as the same value, and the student's SSN has been confirmed with the Social Security Administration (SSA), the parent's SSN will be set to blank and a comment will be printed. Additional guidance on the responsibilities of FAAs when parental name or SSN is missing will be included in an upcoming Dear Partner Letter and in other SFA training and publications.

Teacher Credential Students:
An edit has also been added to generate a comment (037) when the applicant has reported that he or she is a graduate student or has a Bachelor's degree and is enrolled in a teaching credential program. The Pell Eligible Flag will also be set to a Y in this case as these students may be eligible for a Federal Pell Grant.

Changes to CPS Matches

Prisoner Match:
At system startup on January 14, 2000, we will implement the new Prisoner match with the SSA. All records processed by the CPS will be matched against the Prisoner's File maintained by the SSA. If a match is found, a comment on the student's SAR/ISIR will indicate the type of prison facility the student is incarcerated in (i.e., federal, state, local). A SAR "C" Code will also appear on the SAR/ISIR. Although students incarcerated in federal and state prisons are ineligible for Federal Pell Grants and Title IV loans, they may be eligible for state funding; therefore, a match with the SSA's Prisoner File will not result in a rejected record.

Changes to FAA Information

The SAR "C" Code, which alerts financial aid administrators when resolution of some eligibility issue is required, will now be provided on rejected SARs and ISIRs as well as on those with a calculated EFC. This will occur for all rejected records.

In the FAA Information sections that appear on SARs and ISIRs, we added a new match flag for the SSA Prisoner match.

We have also replaced the two current flags used to indicate Verification selection with a single Verification flag. A "Y" will indicate the applicant has been selected for verification, an "N" will indicate not selected for verification, and an asterisk (*) will indicate the record was selected on a subsequent transaction.

Changes to NSLDS Information

We made a few changes to the Financial Aid History page on SARs and ISIRs. A mockup of the page that will print with the SAR and ISIR can be found in Appendix F and detailed information about each change can be found in Appendix C. Following is a summary of the most important changes:

In the section at the top of the page, a new postscreening code has been added to indicate the reason a postscreened transaction was generated. Values for this code are defined in Appendix C. See Dear Colleague Letter GEN-98-6 for additional information about NSLDS postscreening.

In the Aggregate Amount section, the Unsubsidized loan field has been placed back on the NSLDS page along with Subsidized and Combined loan information. And the field indicating whether a first disbursement of a Perkins Loan was made prior to October 1, 1992 has been eliminated.

Pell Grant data has been expanded to include an Award Amount field for each disbursement record to agree with data reported by schools to the Recipient and Financial Management System.

Changes to Student Aid Report

The section headings and data elements on the SAR have been revised to match the 2000-2001 FAFSA. All student information will be displayed first, followed by the dependency questions, and then by parent information.

The "Instructions and Codes" page that every student receives with the SAR has been revised to include more information on accessing the Department's web sites, including information about Corrections on the Web. The codes for the Drug Conviction Eligibility question responses have also been added to the instruction page.

Please see the SAR mockups in Appendix F to review these changes.

Processing Flow

The flow of information through the system remains basically the same in 2000-2001 as in 1999-2000.

The student starts the process by filling out a financial aid application, and this information is "processed" through the system and returned to the student and institution. The application information can be submitted on paper, electronically at the school through the Title IV Wide Area Network (TIV WAN), through FAFSA Express, or using FAFSA on the Web or Renewal FAFSA on the Web.

The charts on the following page show how information about a financial aid applicant flows through the system for the various types of applications and corrections. The major participants and documents or records in the application process are:

1) The U.S. Department of Education (ED).

2) The student who may apply for federal student aid under the Title IV programs—Federal Pell Grant, Federal SEOG, Federal Work-Study, Federal Perkins Loans, the Federal Family Education Loan Program, and the William D. Ford Federal Direct Loan Program.

3) There are different applications available that the student must complete and submit in order to apply for federal student aid. These include the paper Free Application for Federal Student Aid (FAFSA), the paper Renewal FAFSA, FAFSA Express, the electronic FAFSA or Renewal FAFSA through EDExpress, FAFSA on the Web, or Renewal FAFSA on the Web.

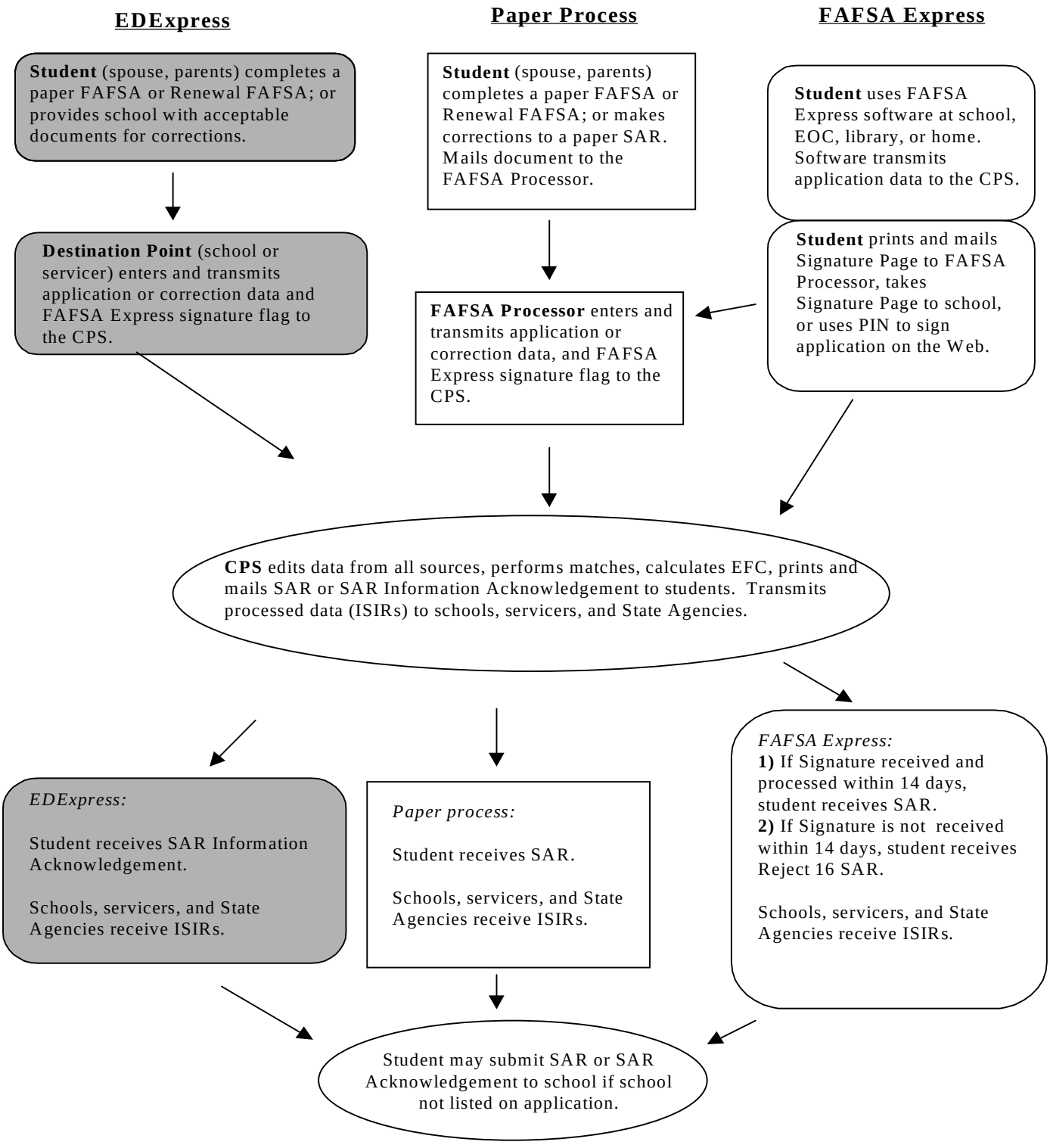
4) The FAFSA Processor. One organization will serve as the data entry processor for the 2000-2001 school year under contract with ED. The FAFSA processor receives applications in the mail, performs document analysis to check that signatures are present and dates are acceptable, and handles missing or unacceptable responses. The processor images the application, enters the information from the application, and transmits it electronically to the CPS.

5) The Central Processing System (CPS). The CPS operates under a contract with ED to receive and process application information. The CPS matches student records with other databases to check eligibility. The CPS also applies a series of "compute edits" to the application information to check for inconsistencies, contradictions, and missing information. During the compute process, the CPS uses the need analysis formula specified in the law to calculate each applicant's expected family contribution (EFC).

6) The Student Aid Report (SAR) and the SAR Information Acknowledgement. These paper documents provide the student with processed application information. The CPS prints these forms and mails them directly to the address the student provided.

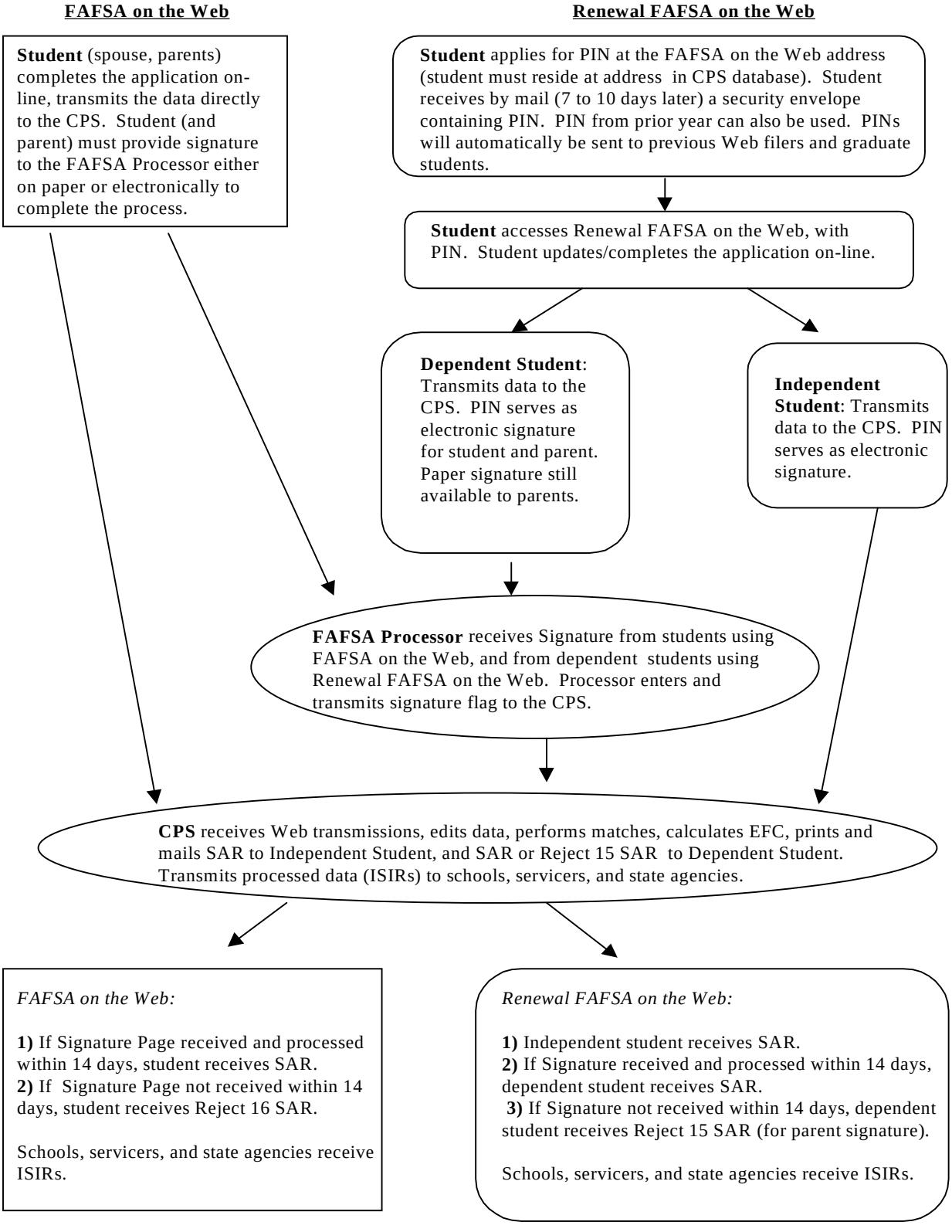
2000-2001 Federal Application Processing System

Paper and Electronic (Non-Web) Processes



2000-2001 Federal Application Processing System

Internet Process



7) The Institutional Student Information Record (ISIR). ISIRs are electronic records that are produced by the CPS and provide schools with processed application information. ISIRs are transmitted electronically to destination points (schools, servicers, and State agencies) daily through EDE.

8) The School. School refers to each postsecondary educational institution that the student listed on the financial aid application. The financial aid administrator (FAA) at the school will use the processed information from the SAR or ISIR to determine what federal aid the student is eligible to receive. Schools and states may also use information from the SAR or ISIR to award their own financial aid.

Transactions

A "transaction" is an interaction between the CPS and the financial aid applicant, or the school acting on behalf of the applicant, that changes any of the data on the applicant's record. Each transaction results in a new SAR and ISIR, and is identified by transaction number (i.e., 01, 02, 03). A transaction may sometimes be "system generated." For example, when a student's eligibility for federal student aid changes on the National Student Loan Data System (NSLDS), the CPS will automatically reprocess the application information and generate a new transaction without additional input from the student or from a school. These system-generated transactions will be sent to the school in a separate electronic message class.

The transactions discussed here will be those where there has been interaction between the student and the system, or the school and the system. When application data for an award year first enter the CPS and are processed, the report that results is called the "01" transaction. The student receives a SAR and the listed schools receive ISIRs. If corrections are necessary, the student makes these changes on Part 2 of the SAR, returns the SAR to the FAFSA Processor, and the information is reprocessed. Alternatively, the student can make the corrections electronically through Corrections on the Web, or a school can enter corrections electronically through EDExpress, even if the school did not submit the original application electronically. The corrections generate a new record that is identified as an "02" transaction. This second type of transaction is called a "correction," although the term also is used to refer to the updating of information.

To create a correction transaction, a change must be made to at least one data element. The change can be anything, even an address correction or the addition or change of a school. The first correction is labeled "02," and subsequent corrections are labeled "03," "04," and so forth. Identifying the correct transaction is important when reporting Pell Grant payments and when requesting duplicate SARs or ISIRs. A duplicate will always be generated from the most recent transaction (the one with the highest transaction number) unless another, earlier transaction is specified.

For 2000-2001, the maximum number of transactions that an applicant may have is 40; when a student has corrected or updated information more than 20 times, the student will receive SAR comment 106, advising him or her to seek assistance from the financial aid administrator.

Types of SARs

Part 1 of the SAR is an Information Summary that contains information for both the student and the FAA. Part 1 summarizes all the information reported by the student on the FAFSA plus the results of processing that information.

Part 2 of the SAR is used by the student to make corrections to application data. Corrections can also be entered electronically by the student on the Web or by the school through EDExpress. Part 2 of the SAR may be an Information Review Form (IRVF), which reports FAFSA information for the student to review and correct, if necessary. Part 2 of a rejected SAR is called the Information Request Form (IRQF). For this type of SAR, an EFC could not be calculated and the student is required to make corrections.

SAR Information Acknowledgements are produced when a student's application is entered electronically by the school. This type of SAR has only one part and resembles Part 1 of a two-part SAR, although the FAA Information and the student's comments vary somewhat. The reason that the student gets this "abbreviated" SAR is because the Department assumes that if any changes need to be made, the student can go to the school and the school will make the changes electronically.

Subdividing SARs into major types may help in understanding references to a "Pell eligible SAR," a "Pell ineligible SAR," or a "rejected SAR." The term "Pell eligible" describes a SAR for an applicant whose EFC and undergraduate status indicate eligibility for a Pell Grant. The term "Pell ineligible"describes a SAR for an applicant whose post-baccalaureate status or high EFC makes him ineligible for a Pell Grant. The term "rejected" describes a SAR that does not have a calculated EFC.

SAR Type	*Student receives:*
Pell-Eligible—EFC is 3100* or less, and applicant is not a graduate student and does not have a bachelor's degree or is a graduate student or has a bachelor's degree but is enrolled in a teaching credential program	Part 1, Part 2 (IRVF)
Pell-Ineligible—EFC is greater than 3100*; or applicant has a bachelor's degree or will be enrolled in a graduate or professional program and is not enrolled in a teaching credential program	Part 1, Part 2 (IRVF)
Rejected—no EFC is calculated (all reject reasons except 15, 16, or 19)	Part 1, Part 2 (IRQF)
Rejected—Reject Reason 15 or 16, no EFC is calculated (paper application missing parent signature for dependent student, FAFSA Express, FAFSA on the Web, Renewal FAFSA on the Web application, or Correction on the Web processed without required signatures)	Part 1, Part 2 (IRQF and certification statements)
Rejected—Reject reason 19, no EFC is calculated (applicant is in an ED hold file)	Part 1, Part 2 (IRVF)

* Maximum EFC for 2000-2001.

Highlights and Assumptions

Paper System Highlights and Assumptions

Students are instructed to review information on the SAR carefully for accuracy. Items requiring special attention are "highlighted" by printing them in boldface type. Both the student and FAA need to pay careful attention to questions and responses that are highlighted.

During the edit process, the CPS applies logic in comparing two or more pieces of information provided by the student. The CPS highlights information that is conflicting, missing, or contradictory. Items that are questioned are highlighted on Part 2 of the SAR.

In certain instances the application is rejected because of a conflict—for example, the student answered that he or she is not married but provides financial information for a spouse. The CPS will reject this application (Reject 11) and print the questioned items in boldface type on Part 2 of the SAR. The CPS will not calculate an EFC, because key financial information is conflicting.

In other situations, the CPS makes an "assumption" and does not reject the student's record. For example,

a student reports that he/she is married and provides spouse's income, but reports only one person in the household. In this case, the CPS assumes there are two persons in the household, highlights both questions and responses on the SAR, and calculates an EFC if the record is not rejected for other reasons. Both the reported and the assumed values are printed, with the word "ASSUMED" in parentheses next to the assumed response that was used in the EFC calculation.

Assumptions are most often made by the CPS when questions are left blank. Once an answer is assumed, the assumed information is used throughout all the subsequent edits and in the EFC calculation.

If the CPS makes an assumption, but then rejects the record for other reasons, an EFC is not calculated and the assumed values are not used. In this situation, the student receives an IRQF (Information Request Form) as Part 2 of the SAR, with arrows printed next to the questionable line items. The student is required to correct them.

Electronic System Highlights and Assumptions

All application software that is used to submit application data contains certain edits that prompt users to resolve inconsistencies before sending the information to the CPS. These edits are contained in the EDExpress, FAFSA Express, FAFSA on the Web, Renewal FAFSA on the Web, and Corrections on the Web applications. When inconsistencies or missing data would cause the record to be rejected at the CPS, the software does not allow the record to be completed or transmitted until information is changed or added. However, when these inconsistencies would cause an assumption, the user is prompted to review and change the data, but will be allowed to transmit the record even if a change is not made. The ISIR that a school receives will set an "h", for highlight, next to the items on which assumptions were made.

In the EDExpress software, an FAA can override certain assumptions that would be made at the CPS. When an FAA sets an override code on an electronic application, the CPS accepts the data as reported and does not make an assumption about that item. For example, if a student indicates more than six family members are attending college, the CPS would assume "one" person in college during processing. If, in fact, there are more than six family members attending college, the FAA can eliminate the need for a correction by setting the appropriate override flag in the EDExpress software.

In addition, EDExpress allows the FAA to override certain "verifiable rejects" by setting a reject override flag before transmitting the student's application. For example, a student may have an unusually large number of family members. If the FAA sets the appropriate override flag before sending the student's record, the student's record will not be rejected.

Students who are using FAFSA Express, FAFSA on the Web, or Renewal FAFSA on theWeb will be able to set the assumption and reject overrides described above by confirming the data that they have entered. When data entered hits one of the assumption or reject edits, a screen will display that prompts the user to review the information and either correct or confirm it.