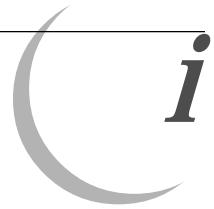


Introduction



This volume of the FSA Handbook discusses the eligibility requirements for students and parent borrowers and your responsibilities in checking to make sure that recipients qualify for their aid awards.

SOURCES OF INFORMATION

There are many factors that you must consider when reviewing a student's application for aid from the FSA programs, such as whether the student is a U.S. citizen or permanent resident, whether the student is making satisfactory academic progress, and whether the student has a defaulted FSA loan. To answer these questions, you receive information about the student from several 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 Partner Letters and Action Letters. These letters and other information, such as Federal Register notices, are available on the *Information for Financial Aid Professionals* (IFAP) website (<http://ifap.ed.gov>). The Department also posts system updates and technical guidance announcements on the IFAP site.

Schools using software from the Department also receive other materials that explain how the software operates. Desk references are available on the sfadownload website. This publication doesn't cover the operation of specific pieces of software. Schools using third party software should consult the reference materials they receive from the software vendor.

RECENT CHANGES

Aside from the usual updates in the EFC calculation, the biggest change to this volume is the addition of the automated secondary confirmation process in the INS citizenship match. See chapter 2 for information.

Note also that some of the NSLDS loan status codes have changed and now indicate eligibility for financial aid: see the AL, UB, and UD codes in chapter 3.

Program and systems information online

Student Aid Internet Gateway (SAIG)

www.sfadownload.ed.gov

Technical References and Users Guides for—

- CPS
- Electronic Data Exchange
- RFMS EDE Pell
- Direct Loans
- SSCR
- FISAP
- Packaging

IFAP

ifap.ed.gov

- Federal Registers
- Action Letters
- Dear Partner Letters

Revised guidance has been issued regarding home schooling; see Academic Qualifications in chapter 1.

Also in chapter 1, the ability-to-benefit tests have been updated.

With the advent of the Common Origination and Disbursement project, we have given new guidance on how to treat FAFSAs that have an incorrect Social Security number. See chapter 4.

Finally, the office of Student Financial Assistance has been renamed Federal Student Aid, so throughout the Handbook SFA has been replaced with FSA.

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