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INDUSTRY BULLETIN

Loan Record Detail Report (LRDR) Import Tool

On [March 11, 2015](#), the U.S. Department of Education announced the availability of the National Student Loan Data System (NSLDS) Loan Record Detail Report Import Tool. The LRDR Import Tool will allow easy loading of the data generated from the LRDR into Microsoft Excel, and is designed to assist schools with reviewing and analyzing their LRDR extract files.

The LRDR provides information on the loans used to calculate a school's draft or official cohort default rate (CDR). The LRDR is distributed as part of the eCDR notification package. When the LRDR is loaded into the Import Tool, the file is converted to a spreadsheet with assigned headings which will allow for an easier and more manageable view of the data. A school may request an LRDR on an ad-hoc basis via the NSLDS Professional Access Web site.

To download the LRDR Import Tool, go to the [Default Management Web site](#) and choose "CDR Guide" from the left-hand navigation bar. The LRDR Import Tool can be found in the "Templates/Spreadsheets" section. Instructions for using the tool are provided on the first tab of the workbook.

Spotlight on Training

Did you know that we offer free training events on a variety of topics? Visit the [Training Calendar](#) on the FedLoan Servicing Website to learn more about the events or to register.

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APR 2015

Paper In-School Deferment Forms

ED's recommended method for processing paper in-school deferment forms:

On [March 12, 2015](#), The U.S. Department of Education (ED) published an Electronic Announcement (EA) addressing school's concerns about an increase in paper in-school deferment request forms. This increase is attributed to the termination of the contract between Federal Student Aid (FSA) and the National Student Clearinghouse (NSC). ED reminded schools that, effective July 1, 2014, enrollment information must be reported to the National Student Loan Data System (NSLDS) within 60 days. ED suggested that if a school receives a paper deferment form, they should update that student's enrollment information via the NSLDS Professional Access Web site's – Enrollment Maintenance Function. Schools may also use the Enrollment Spreadsheet Submittal process to submit online enrollment information for multiple students.

NSLDS issues weekly updates to Federal Loan Servicers and to FFEL Guaranty agencies for use by FFEL lenders and lender/servicers; therefore, online updates will be received by servicers within days of a school's submission. Updates can be viewed immediately on the NSLDS Professional Access Web site. As a caveat, ED added that in the case of transfer students, paper in-school deferments would still be needed.

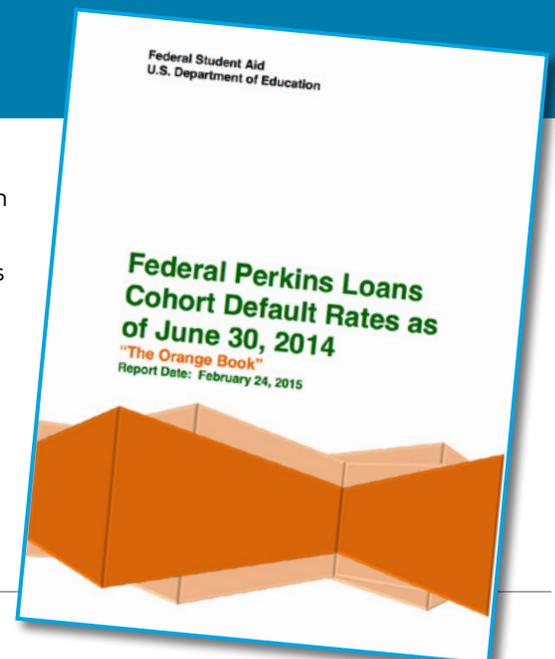
For more information, ED encourages schools to review the NSLDS Transfer Student Monitoring / Financial Aid History User Guide and Batch File Layouts for properly transmitting enrollment information to NSLDS.



Orange Book Published for 2013-2014

The U.S Department of Education(ED) has released the 2013-2014 Orange Book. The Orange Book is a report that lists each school that participated in the Federal Perkins Loan (Perkins Loan) Program during the 2013-2014 Award Year and provides a cohort default rate for each school. This report is based on data submitted by schools in the Fiscal Operations Report for 2013-2014 and Application to participate for 2015-2016 [FISAP].

ED provided the links in [PDF](#) and [Excel](#) format:



2015-2016 Unusual Enrollment History Flag

On [March 16, 2015](#), the US Department of Education (ED) published the Dear Colleague Letter (DCL) [GEN-15-05](#) describing changes made in the 2015-2016 FAFSA applicants for an Unusual Enrollment History (UEH) Flag. The DCL also provided information on institutional responsibilities to resolve such flags.

GEN-15-05 references [GEN-13-09](#), published March 8, 2013, for the initiation of the UEH Flag and the [2013-2014 Institutional Student Information Records \(ISIR\) Guide](#), published October 29, 2012, where the UEH Flag first appeared. The guidance on institutional responsibility provided in [GEN-13-09](#) remains applicable for the current 2014-2015 FAFSA processing year. However, beginning with the 2015-2016 FAFSA processing year, the selection of applicants for a UEH Flag expands to consider:

1. An applicant's prior receipt of, in addition to a Federal Pell Grant, a Federal Direct Loan (not including a Direct Consolidation Loan or a parent PLUS Loan).
2. The prior four, instead of three, award years.

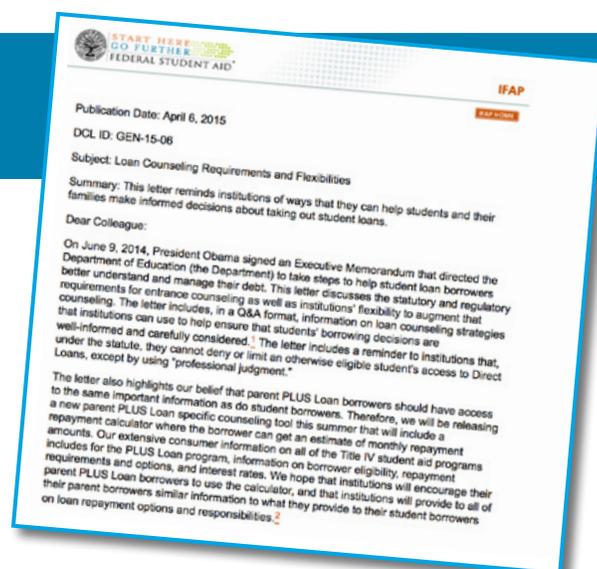
Specific guidance on the resolution of a UEH Flag is outlined in DCL [GEN-15-05](#). ED also recommends the review of [GEN-13-09](#) for complete guidance.

Executive Memorandum on Loan Counseling Requirements

On [April 6, 2015](#), the US Department of Education (ED) released Dear Colleague Letter (DCL) GEN-15-06 regarding President Obama's June 9th Executive Memorandum directing ED to take steps to help student loan borrowers better understand and manage their student loan debt.

This DCL discusses the statutory and regulatory requirements for entrance counseling as well as stressing a school's flexibility to augment that counseling. ED included loan counseling strategies in Q&A format which schools can use to help students make well informed decisions. The DCL also stresses that, by statute, schools may not limit a student's access to Direct Loans, except through "professional Judgment."

In accordance with ED's belief that parent PLUS loan borrowers should have access to the same important information as students, they have announced the future release of a new parent PLUS loan specific counseling tool this summer that will include a monthly payment calculator. Schools are urged to encourage parent borrowers to use this calculator and provide parent's information similar to that provided student borrowers on loan repayment options and responsibilities.



ED has also made available the Financial Awareness Counseling Tool (FACT). FACT is an online interactive resource that provides students with basic financial literacy information along with data about the student's federal student loan debt. The tool estimates a student's likely loan debt and repayment amounts upon leaving school. Although students cannot be required to use FACT, schools are urged to encourage their borrowers to do so, especially before the student decides to continue borrowing.

Students can access FACT at studentloans.gov.

First Pell Grant Administrative Cost Allowance for 2014-2015 Award Year

On [March 11, 2015](#), the U.S. Department of Education (ED) published an electronic announcement notifying schools that the first Pell Grant administrative cost allowance payments for the 2014-2015 Award Year were issued beginning March 9, 2015.

Federal Pell Grant regulations (34 CFR 690.10) provides for an administrative cost allowance (ACA) payment of \$5.00 to each participating school for each student who receives a Pell Grant at that school for an award year. These funds are to be used only toward the costs of administering the Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work Study, and Federal Perkins Loan Programs. These payments are not included in a school's Current Funding Level (CFL) but are direct payments made to the school based on its unduplicated student recipient information.

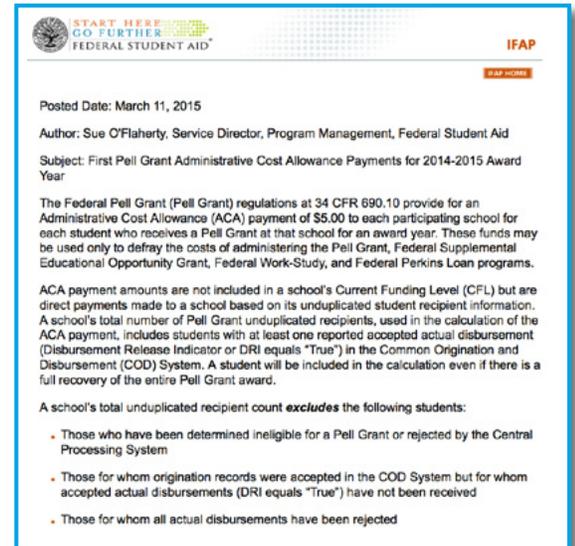
A school's unduplicated recipients include those with at least one reported actual disbursement (Disbursement Release Indicator (DRI) equals "True") in the Common Origination and Disbursement (COD) System. A student will be included even if there is a full recovery of the entire Pell Grant award.

The Unduplicated recipient count **excludes** the following students:

- Those who have been determined ineligible for a Pell Grant or rejected by the Central Processing System (CPS),
- Those for whom origination records were accepted in the COD System but for whom accepted actual disbursements (DRI equals "True") have not been received; and
- Those for whom all actual disbursements have been rejected.

Schools should have seen these payments deposited directly into their bank accounts in the weeks following March 9th. Each school will be notified through an Electronic Statement of Account (ESOA) (Message Class PGAS150P), delivered to the reporting school's Student Aid Internet Gateway (SAIG) mailbox. In addition, ACA payment amounts and other ACA-related information will be displayed on the [COD Web site's](#) School Funding Information Screen.

For assistance identifying the account into which ACA payments were deposited, contact the G5 Hotline at [888.336.8930](tel:888.336.8930). If your school has not received an ACA payment even though actual disbursements were submitted for the 2014-2015 Award Year and accepted by the COD system, Contact the COD School Relations Center at [800.474.7268](tel:800.474.7268) – or by e-mail to CODSupport@ed.gov.



Updated SAIG Software and Documentation

On [March 9, 2015](#), The U.S. Department of Education published an electronic announcement regarding the availability of updated software and documentation relating to the Student Aid Internet Gateway (SAIG). This announcement clarifies that:

1. EDconnect 8.4 and TDClient 3.2.2 are now available to provide Internet Protocol (IP) version 6 (IPv6) support.
2. The Transaction Delivery Community Manager (TDCM) Web portal has been upgraded from TOMCAT to the JBoss application server for enhanced security.

User Documentation for EDconnect 8.4, TDClient 3.2.2, and TDCM are available via the [Federal Student Aid Download \(FSA Download\)](#) Web site.

Sharing Information on Educational Tax Benefits with Students and Families

On March 17, 2015, The U.S. Department of Education (ED) released an Electronic Announcement (EA) stating that the Internal Revenue Service (IRS) has prepared a flyer addressing education tax credits. Specifically, the flyer addresses form 1098-T, the American Opportunity Tax Credit (AOTC), and the Lifetime Learning Tax Credit (LLTC). The EA advises "...all high school and college counselors, advisors, and financial aid administrators to make the flyers... widely available to students and families..."

The EA provides the [link for further information](#).

The EA also provides the [link to a PDF of the flyer](#).

Now Available!

Volume 4 of the 2015-2016 Federal Student Aid Handbook

On March 19, 2015, the U.S. Department of Education (ED) announced the availability of Volume 4 of the Federal Student Aid (FSA) Handbook. This volume encompasses processing aid and managing federal student aid funds. Volume 4 is available as a [master PDF file](#) and includes a table of contents, introduction, Chapters 1 through 6, as well as appendices A and B.

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Created in 1963 by the Pennsylvania General Assembly, the Pennsylvania Higher Education Assistance Agency (PHEAA) has evolved into one of the nation's leading student aid organizations. Today, PHEAA is a national provider of student financial aid services, serving millions of students and thousands of schools through its loan guaranty, loan servicing, financial aid processing, outreach, and other student aid programs.

PHEAA's earnings are used to support its public service mission and to pay its operating costs, including administration of the Pennsylvania State Grant and other state-funded student aid programs. PHEAA continues to devote its energy, resources and imagination to developing innovative ways to ease the financial burden of higher education for students, families, schools, and taxpayers.

PHEAA conducts its student loan servicing activities nationally as American Education Services (AES) and FedLoan Servicing.

These materials have been developed and paid for by the Pennsylvania Higher Education Assistance Agency (PHEAA) for informational purposes. Although the information contained in this document is believed to be accurate at the time of printing, PHEAA does not guarantee its accuracy. You should independently verify that this information is correct.

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