



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

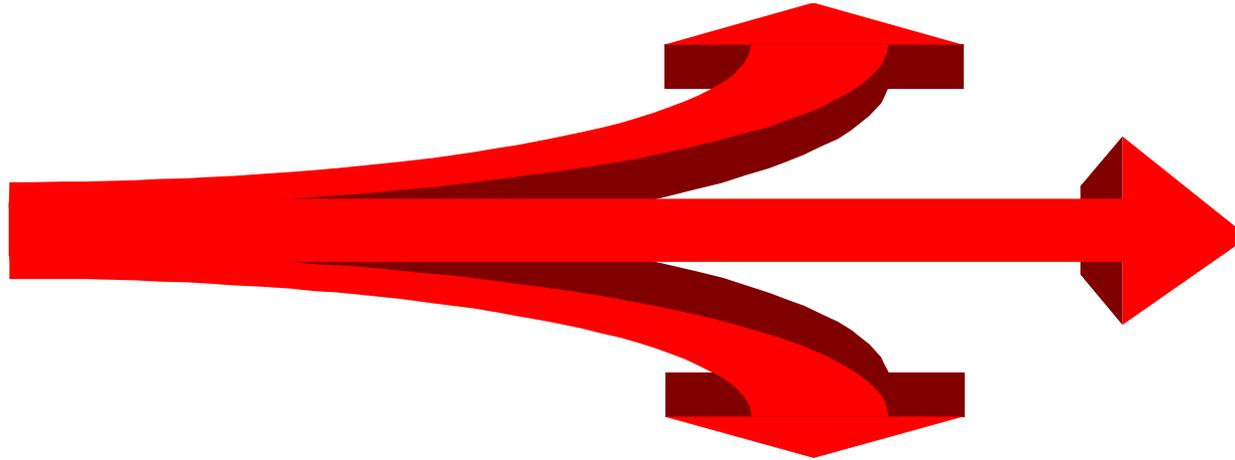


Dept. of Education Vision

- 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

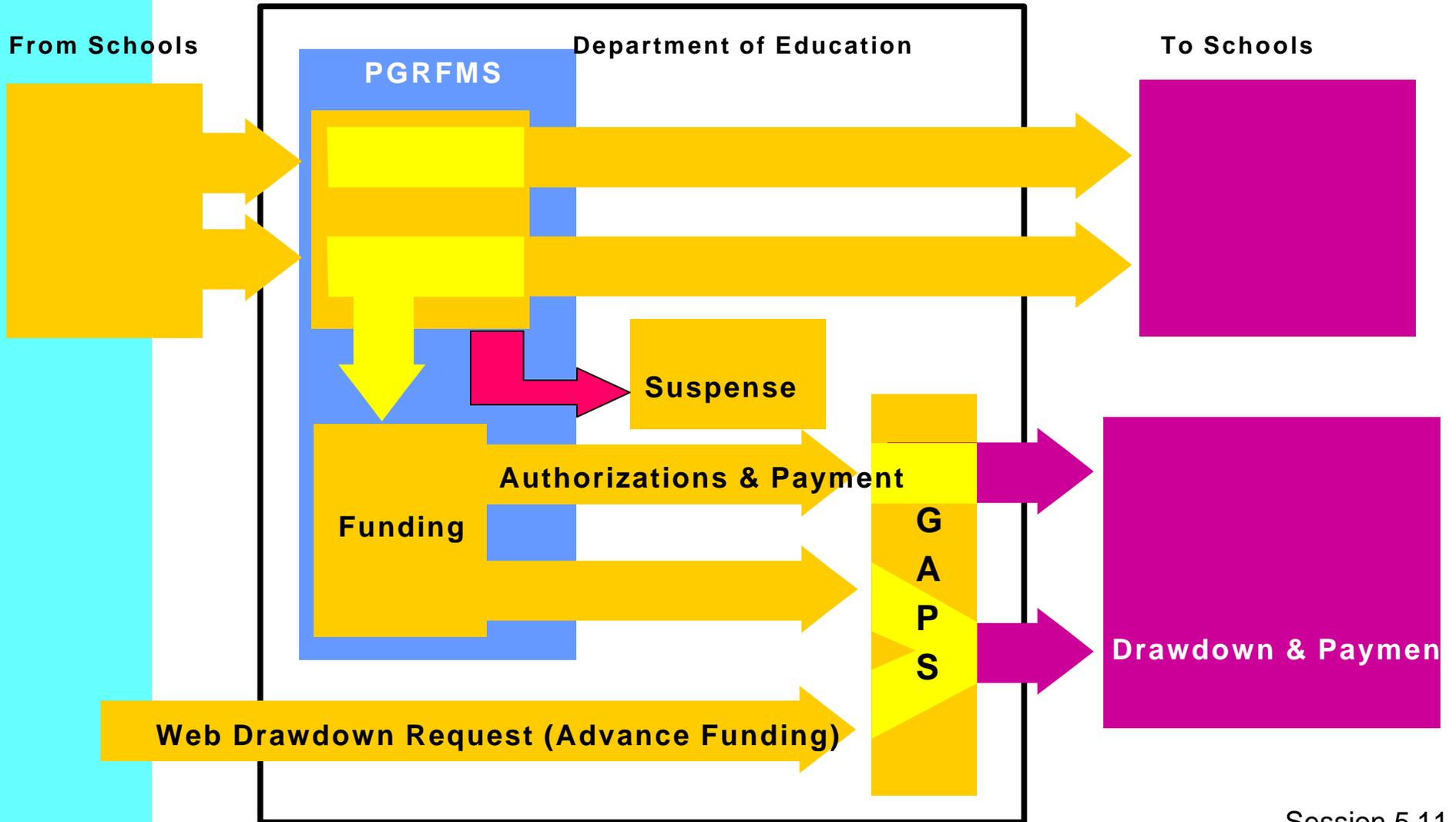


Comparison with the Current Process

Other Enhancements

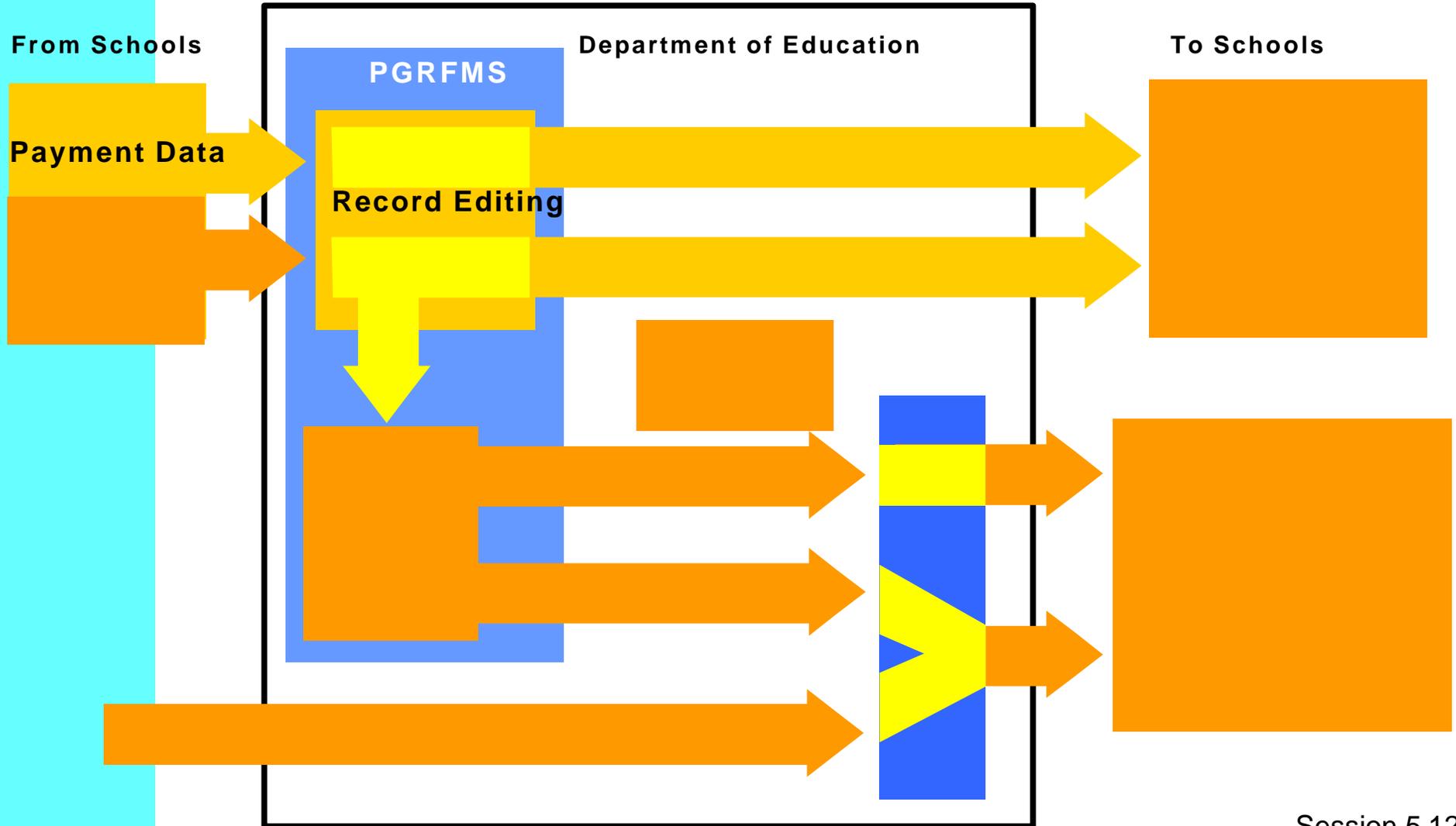


Current Federal Pell Grant Program - PGRFMS





PGRFMS - Payment Data



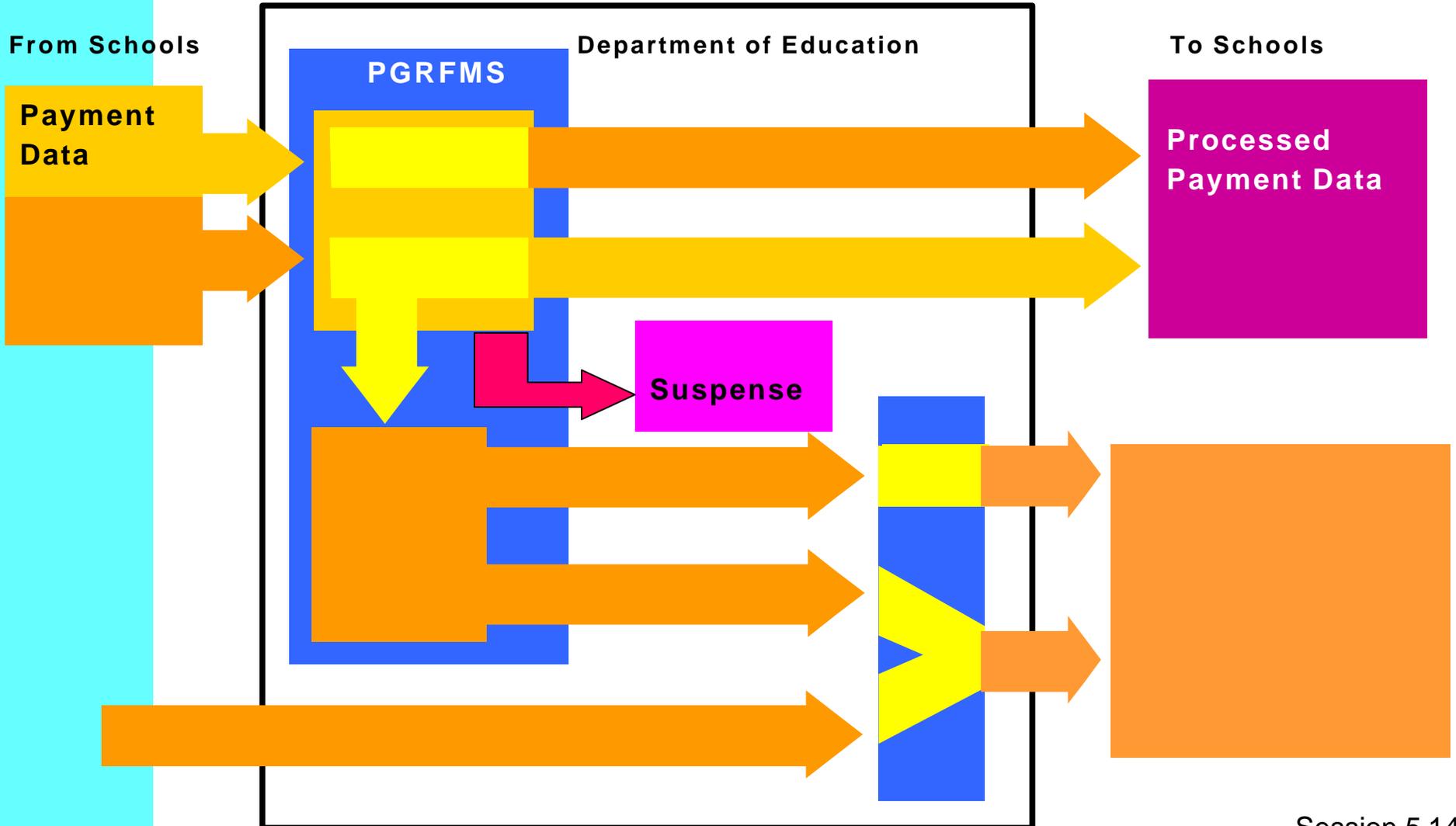


Current Federal Pell Grant Process

- 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

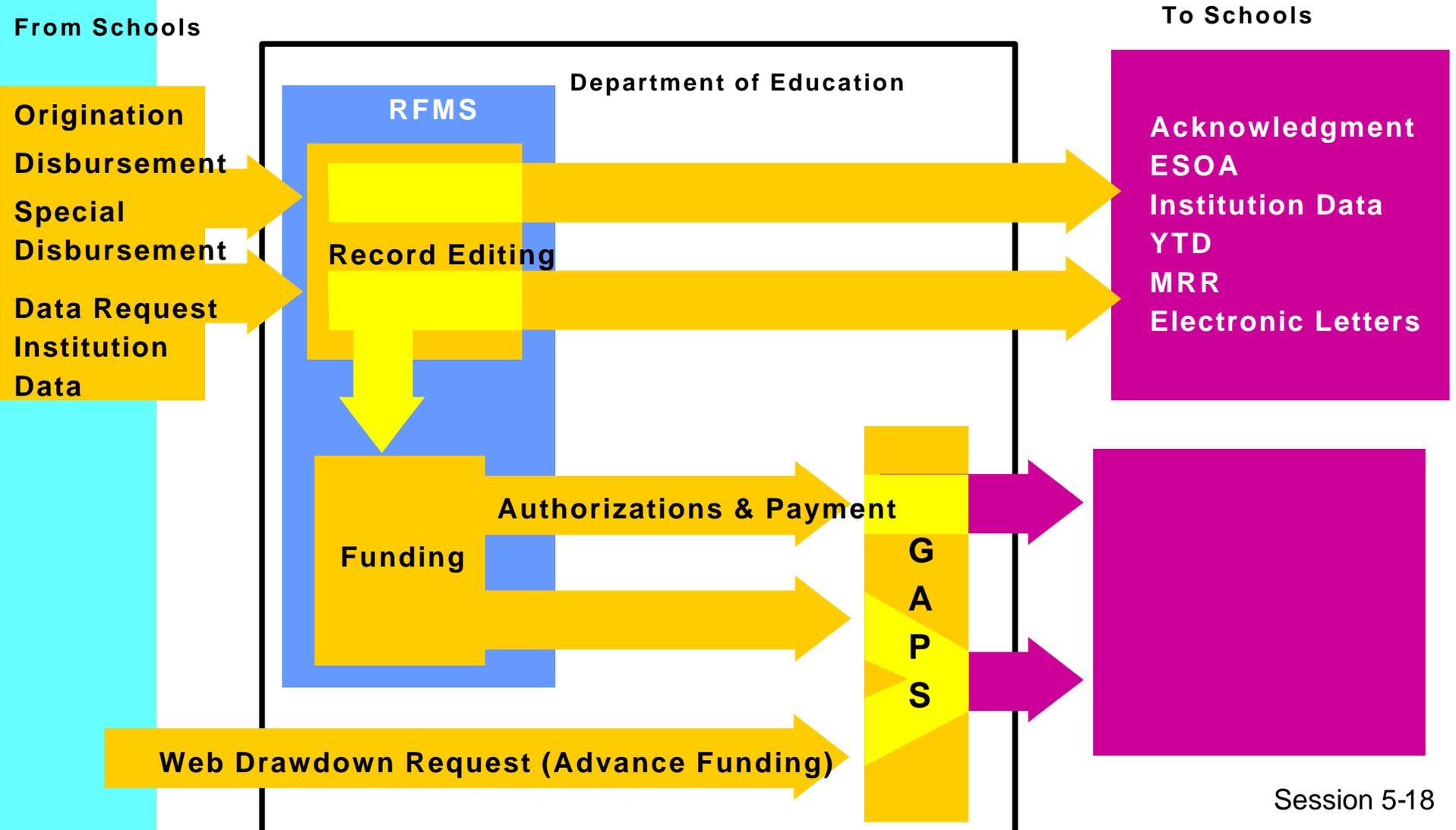


New Federal Pell Grant Process

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



New RFMS Process



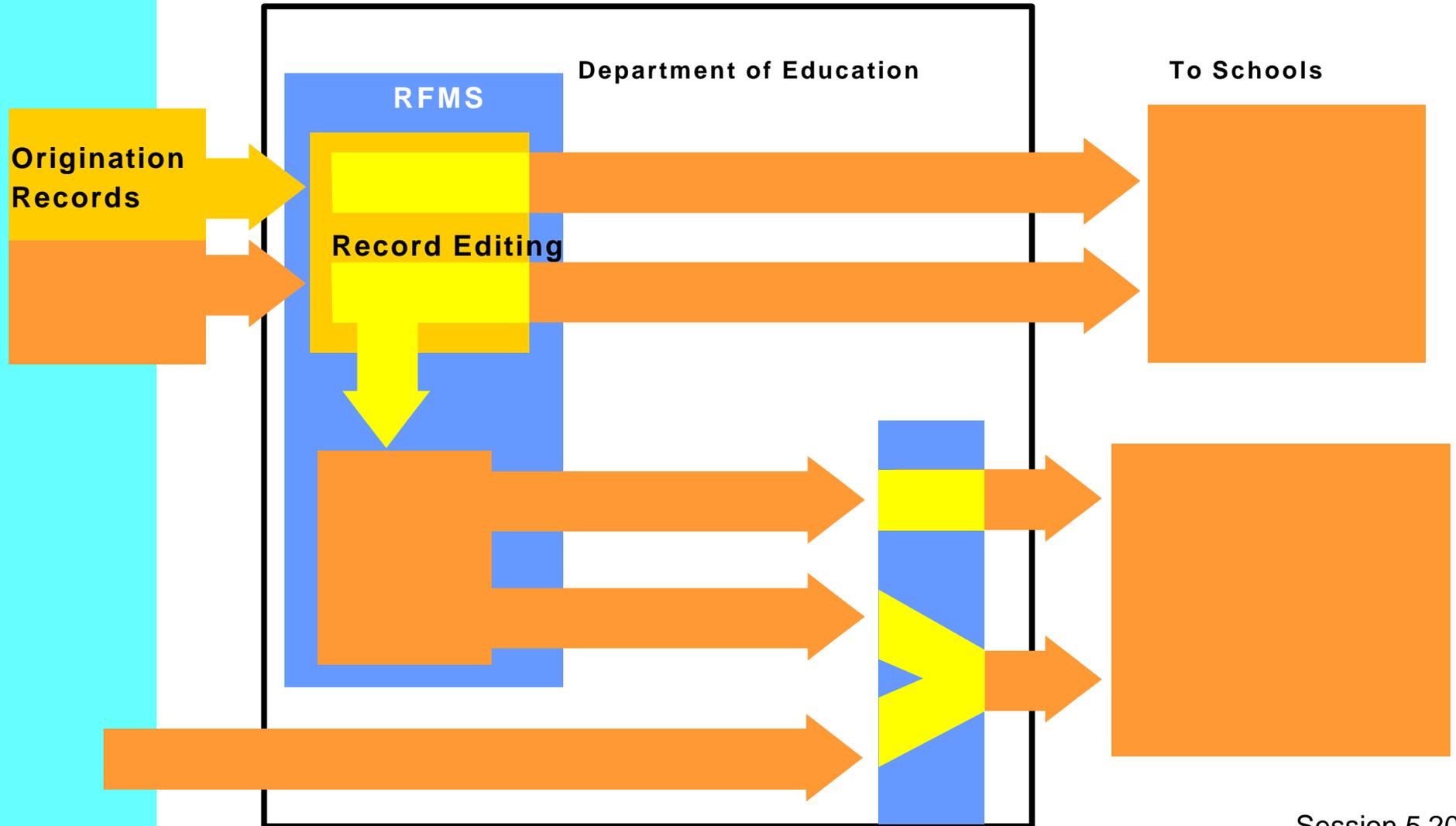


Origination

- 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

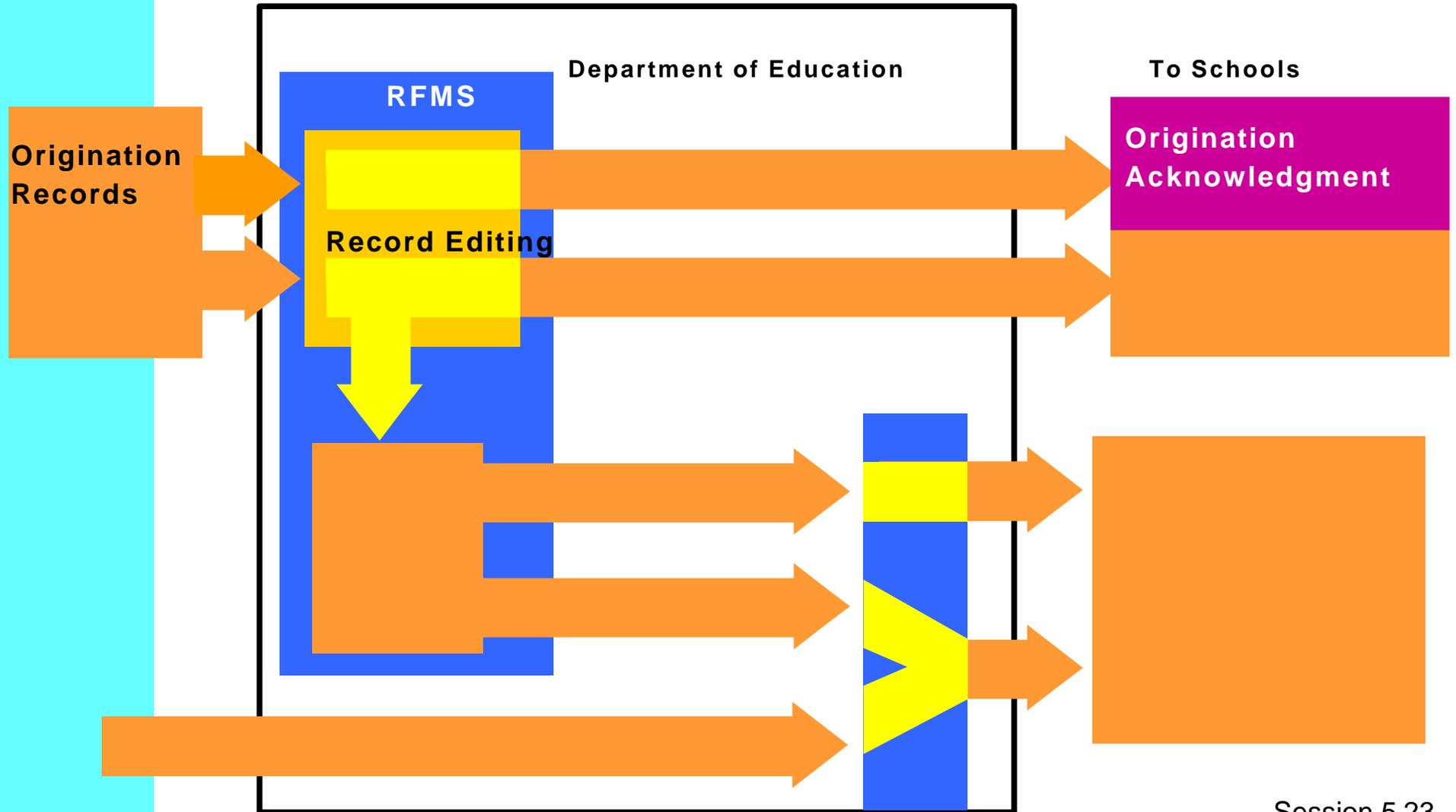


Origination Record

- 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



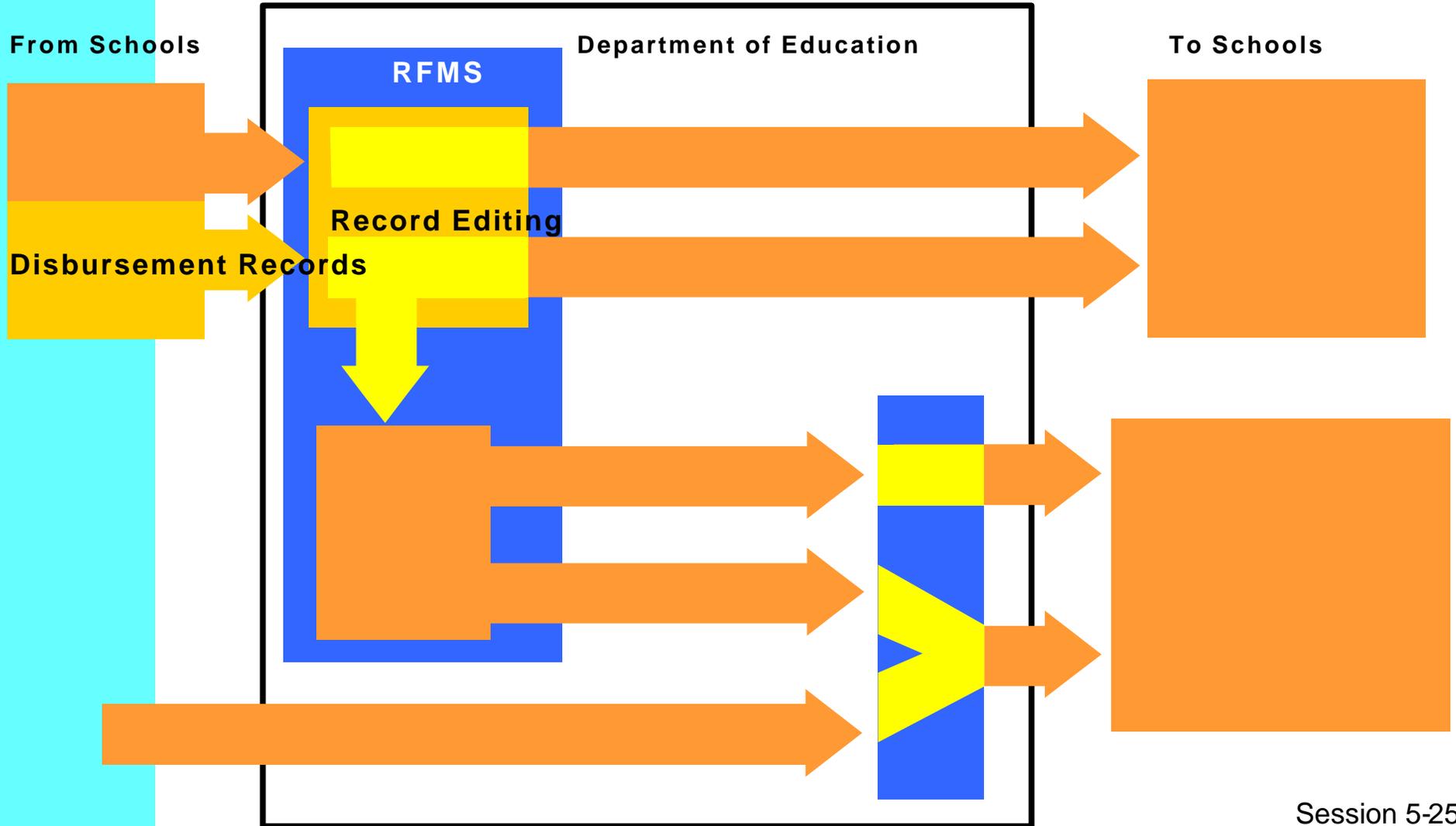


Disbursement

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



Disbursement



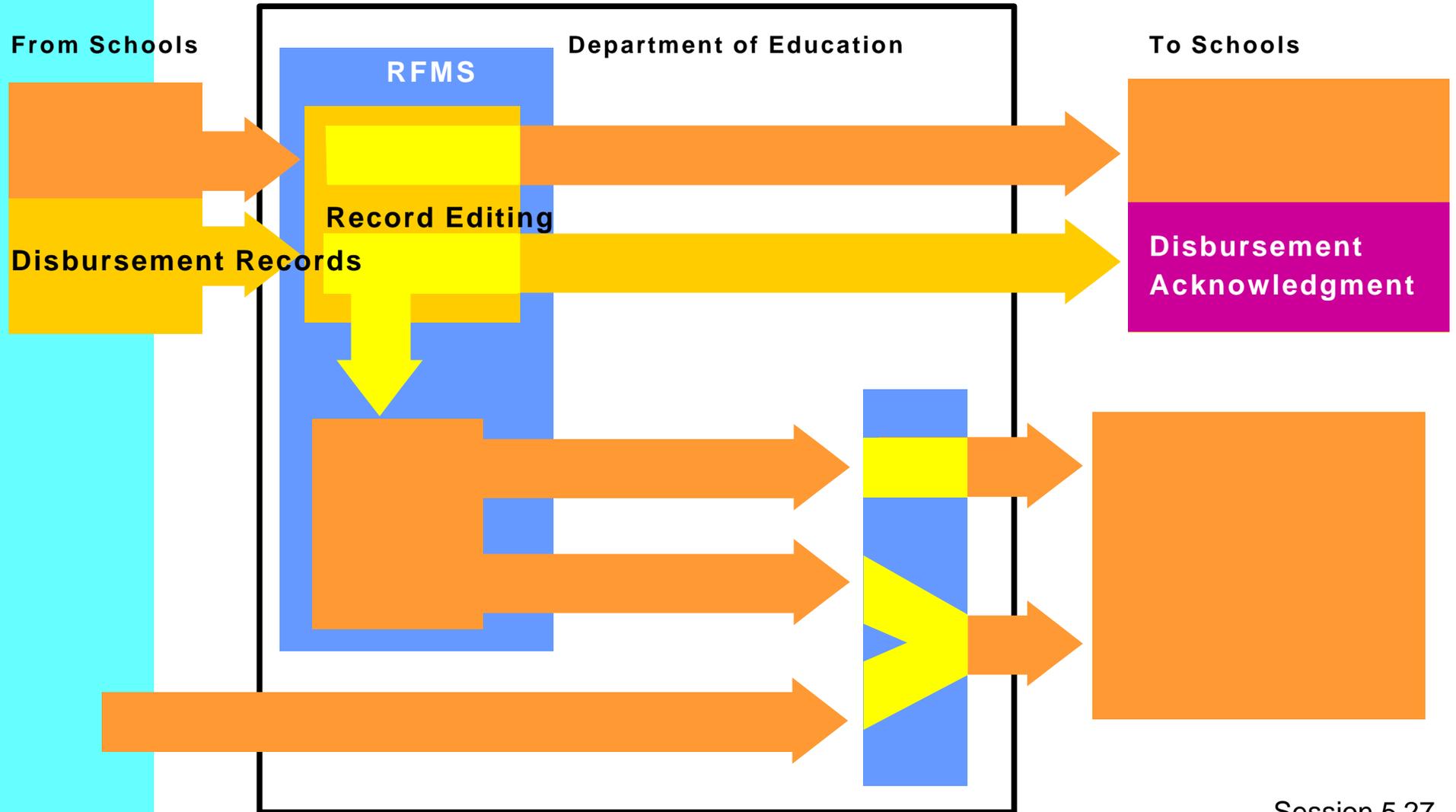


Disbursement Record

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



Disbursement





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 schoolRequests 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

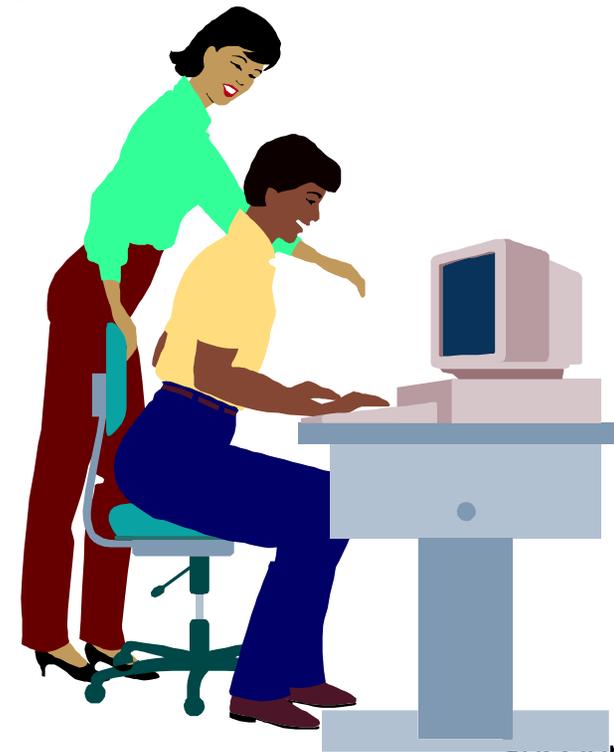


- **Batch Status**
- **Financial Information**
- **Data Requests**



Other Enhancements

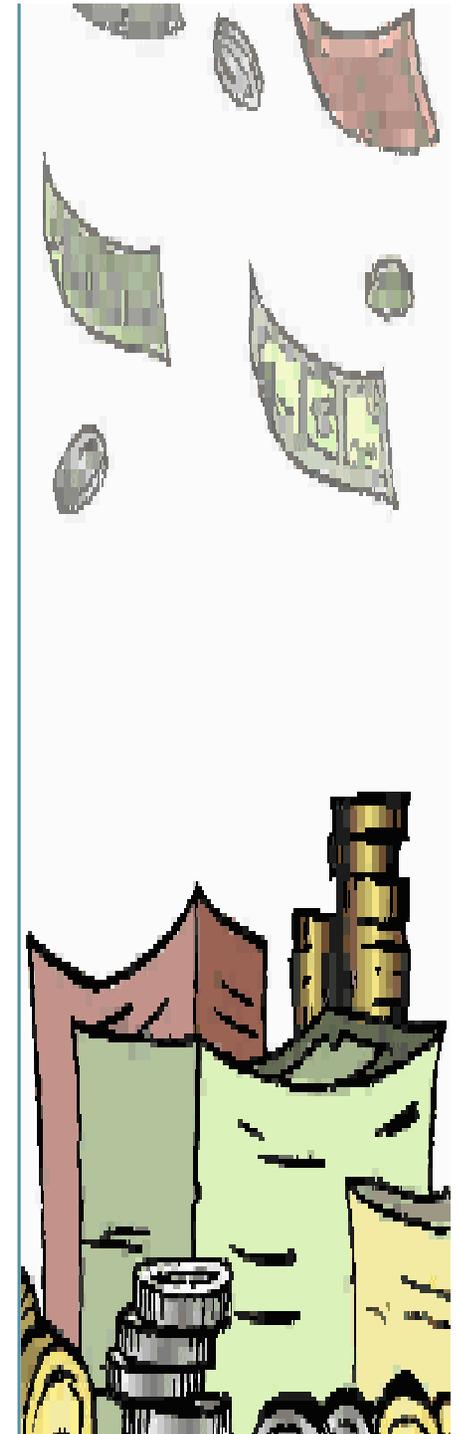
- **PC Pell Payment Software**
 - Included in EDExpress software
 - **Pell Origination TAB**
 - **Pell Disbursement TAB**





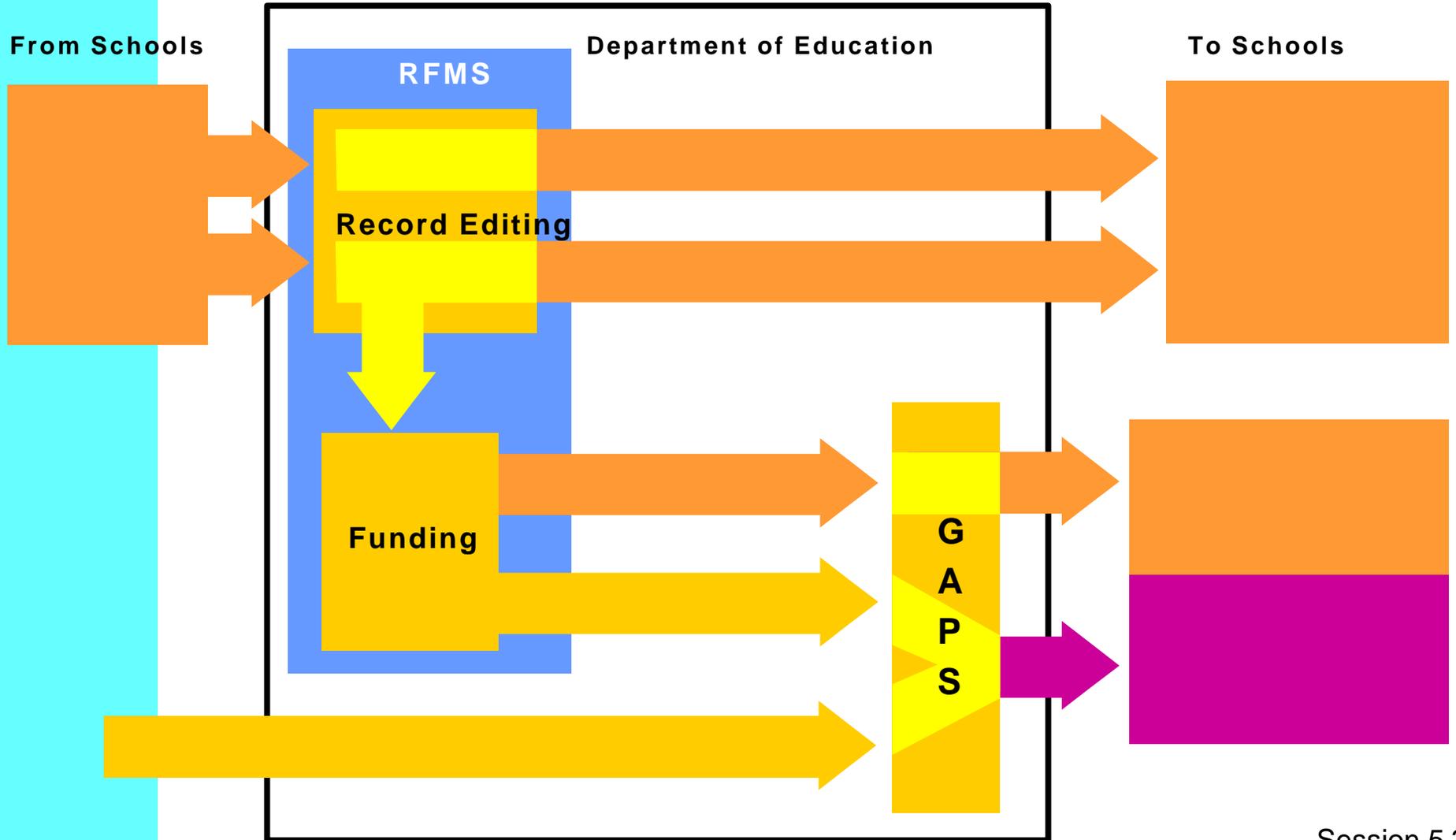
Current Funding Process

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





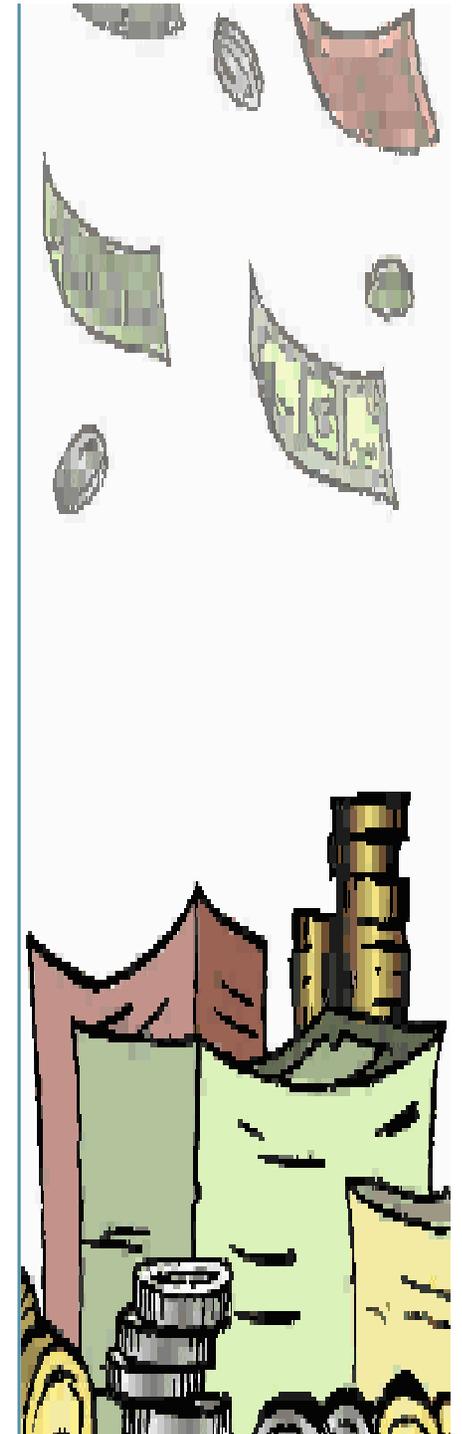
Current Funding





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

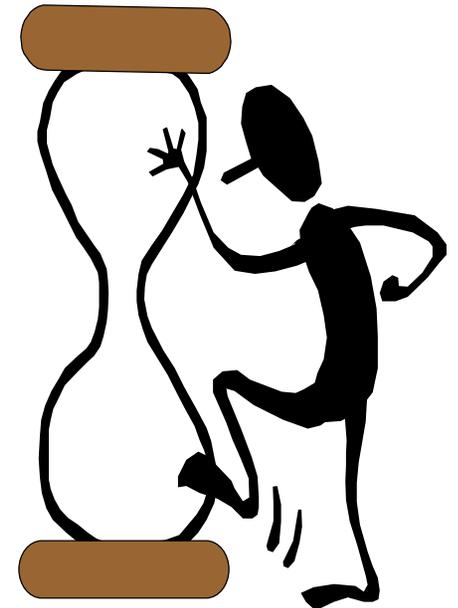
 - Corrects information up front
- Disbursement Record
 - Commits Funds
 - Requests immediate funding





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

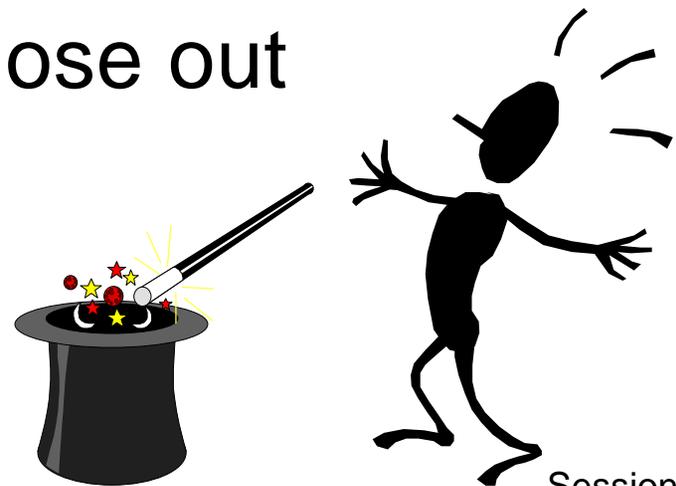
- **Minimizes POP problem**
 - Origination record prescreens eligibility
 - Multiple Reporting Record (MRR)
automatically sent
 - Disbursement occurs closer to actual

- **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



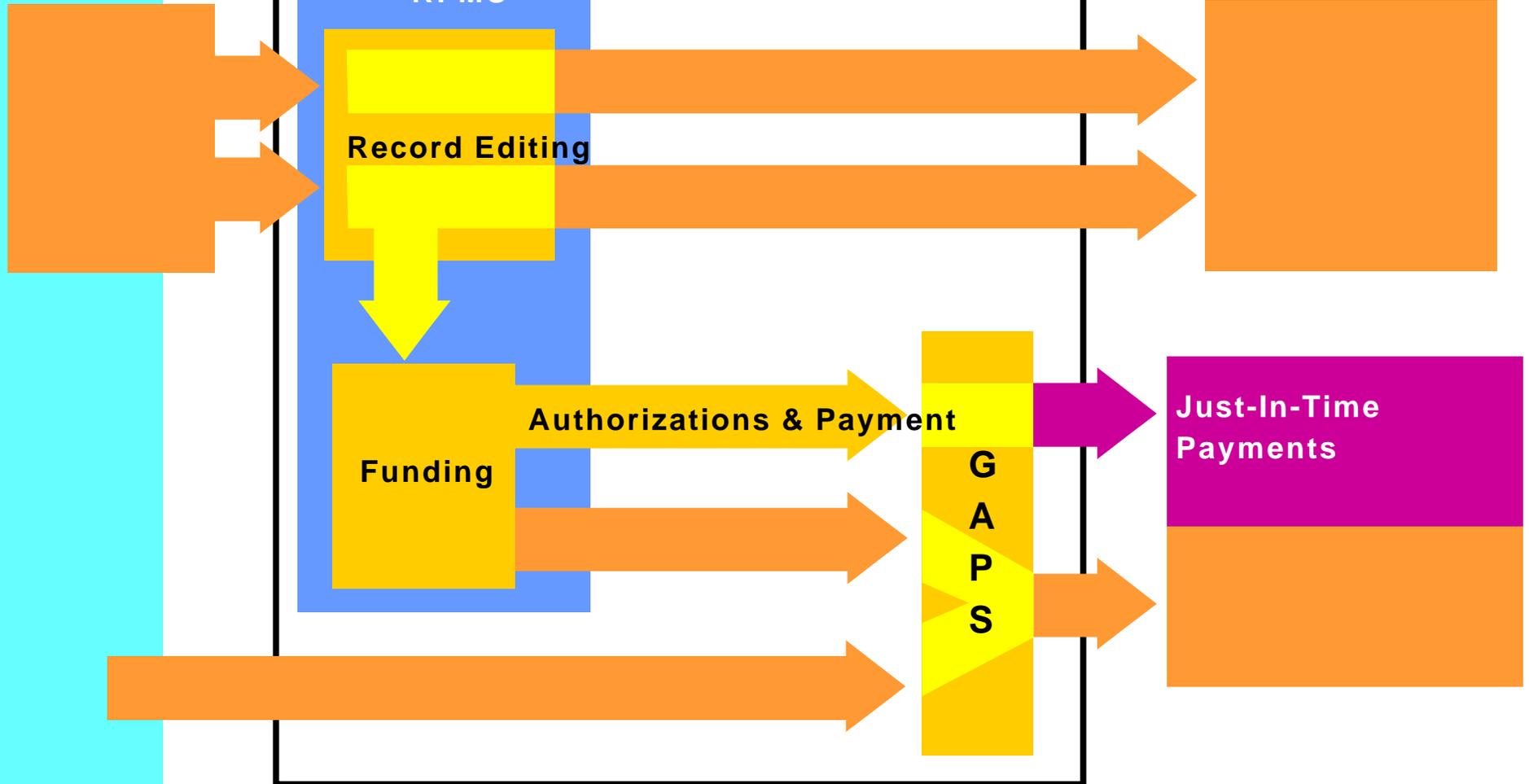


Just-In-Time

From Schools

Department of Education

To Schools





Just-In-Time Funding Pilot

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

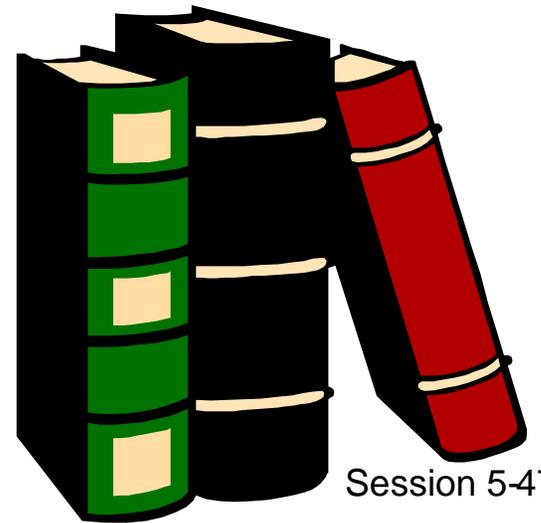




Conclusion

- 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
 - **EDEExpress 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