

If the student has certain kinds of student aid problems, such as defaulted SFA loans or SFA grant overpayments, the student may be ineligible. The school needs information about the student's financial aid history to determine if the student has any aid problems and so is ineligible. In this chapter, we discuss the types of problems that make a student ineligible, and the primary method for providing financial aid histories, the National Student Loan Data System (NSLDS).

FEDERAL DEBTS THAT AFFECT ELIGIBILITY

A person generally isn't eligible for SFA funds if he or she is in default on an SFA loan or must repay an SFA grant overpayment. This ineligibility rule also applies to a parent seeking a PLUS Loan (through the FFEL or the Direct Loan program). For a parent to receive a PLUS Loan, neither the parent nor the student may be in default or owe an overpayment through the SFA Programs. (There are several exceptions to these general rules on defaults and overpayments, as noted in the discussion below.)

Any student applying for SFA funds must certify that he or she isn't in default on any SFA loan and doesn't owe an overpayment on any SFA grant or loan, or that he or she has made satisfactory arrangements to repay the overpayment or default. This certification statement is printed on the FAFSA.

A student is also ineligible if he or she has exceeded annual or aggregate loan limits. A student who inadvertently exceeded the limits can regain eligibility if he or she repays the extra amount borrowed, or makes arrangements to repay (see "Loan Limits," page 58).

Finally, for a student to be eligible, his or her property must not be subject to a judgment lien for a debt owed to the United States. For example, if the Internal Revenue Service (IRS) had placed a lien on a student's property, the failure to pay this debt or make satisfactory arrangements for repayment would make the student ineligible for SFA funds. A parent can't receive a PLUS Loan if either the student or the parent has property subject to a judgment lien for a debt owed to the United States.

The Department performs a match against its National Student Loan Data System (NSLDS) database to check on whether the student is in default or owes a repayment. A school can also determine from NSLDS whether a student has exceeded the loan limits. The Department doesn't perform any matches to determine whether or not the student is subject to a judgment lien for a federal debt, and the

Federal Debt Cites

Sec. 484(a)(3), 484(f), 34 CFR 668.32(g), 668.35

Judgment Lien Example

Bennet College collects tax returns from all its aid applicants. When Charlotte provides her parents' tax return, the FAA at Bennet notices that they've reported business income, but didn't report a business asset on the FAFSA. Charlotte explains to the FAA that they didn't report the business as an asset because there's a lien against the business for a federal loan. The FAA tells her that the asset must still be reported (see Chapter 6 of this publication for more on reporting assets), and also that her parents won't be able to borrow a PLUS Loan as long as they are subject to the lien.

Ineligibility Due to Default Cites
Sec. 484(a)(3), 34 CFR 668.32(g)(1)

SFA Loans

Federal Perkins Loans (including NDSL), FISLs, Federal Stafford Loans, Federal Direct Loans, Federal SLS, Income Contingent Loans (ICL), Federal Consolidation Loans, Federal Direct Consolidation Loans, Federal PLUS Loans and Federal Direct PLUS Loans.

Additional Ways of Reestablishing Eligibility for Perkins

Reauthorization added a provision to the Perkins Program that reestablishes the borrower's eligibility for Perkins if the borrower meets any of the conditions that would remove his or her Perkins Loan from the cohort default rate. This provision only allows the borrower to regain eligibility for Perkins, not the other SFA programs. See the Campus-Based Programs Reference.

Documenting Paid in Full Example

Eddy had a Stafford Loan as an undergraduate that went into default while he was out of school. When he applies for financial aid so he can go to graduate school, his ISIR shows that the loan is still in default. Eddy tells the FAA at Guerrero University that he paid off the loan last year. Guerrero asks him to bring in a letter from the guaranty agency saying that the loan's been paid. Eddy brings in the letter, and Guerrero keeps it in his file as documentation of his eligibility. The FAA also advises Eddy that he should ask the guaranty agency to update his status in NSLDS.

Satisfactory Repayment Arrangement Cites

Sec. 428F(b), 464(h)(2); 34 CFR 668.35(a)(2), 674.5(e), 682.200(b), 685.102(b)

school isn't required to check for such liens. However, if the school knows that the student is subject to such a lien, it can't pay SFA funds to the student.

Default

A student who's in default on an SFA loan can't receive further SFA aid until he or she resolves the default. The student can resolve the default in a number of ways.

Repayment in full

A student can resolve a default by repaying the loan in full, and is then eligible again for SFA funds. If the student and the loan holder agree on a compromised amount for settling a loan and the student repays the amount agreed upon, that counts as paying the loan in full. However, if the loan holder simply writes off the loan, the loan isn't paid in full, and the student is still ineligible for SFA funds.

The student regains eligibility whether repayment was completed voluntarily or involuntarily (that is, through IRS offset or wage garnishment). Although a student who has repaid his or her defaulted loan in full is eligible for aid, the school can still consider the default to be evidence of a student's unwillingness to repay loans and deny the student future Perkins Loans (see the Campus-Based Programs Reference).

If a student's paid a defaulted loan in full but receives an output document with a comment showing that he or she is ineligible because of the default, the student must give the school documentation proving that the loan has been paid in full.

Satisfactory repayment arrangements

A student in default on an SFA loan can be eligible for SFA aid if he or she has made satisfactory repayment arrangements with the loan holder. The student must make arrangements that are satisfactory to the loan holder and in accordance with the individual SFA loan program regulations (see the Campus-Based Programs Reference and the Direct Loan and FFEL Programs Reference). After the student makes six consecutive, full, voluntary payments on time, he or she regains eligibility for SFA funds.

Before a school can pay the student, it must have documentation that the student has made satisfactory repayment arrangements. For example, the lender may update the code for the loan in NSLDS to DX once six payments have been made; the school could then use the NSLDS information as confirmation of the repayment arrangement. The school may also use a written statement from the loan holder indicating that the student has made satisfactory repayment arrangements as documentation of the arrangement. See "Change of Status" in the Introduction for a discussion of what happens if the student becomes eligible during the school year.

Effect of Loan Status on Student Aid Eligibility

| <i>NSLDS CODES (in alphabetical order)</i> | | <i>LOAN STATUS</i> |
|--|--|---|
| BC | No default, bankruptcy discharge | Canceled or discharged |
| BK | No prior default, active bankruptcy claim | No default, bankruptcy |
| CA | Canceled | Canceled or discharged |
| DA | Deferred | In school, grace period |
| DB | Defaulted, active bankruptcy claim | Default, bankruptcy filing |
| DC | Defaulted, compromised | Default, compromise |
| DF | Default, false certification discharge | Canceled or discharged |
| DG | Default, false certification (ability to benefit) discharge | Canceled or discharged |
| DI | Disability | Canceled or discharged |
| DJ | Default, discharged by judicial ruling | Canceled or discharged |
| DK | Default, bankruptcy discharge | Canceled or discharged |
| DL | Defaulted, in litigation | Default |
| DN | Default, closed school discharge | Canceled or discharged |
| DO | Defaulted, active bankruptcy claim | Default, bankruptcy filing |
| DP | Default, then paid in full | Paid |
| DS | Default, disability cancellation | Canceled or discharged |
| DT | Defaulted, collection terminated | Default |
| DU | Defaulted, unresolved | Default |
| DW | Defaulted, write-off | Default, written-off |
| DX | Defaulted, satisfactory arrangements, and six consecutive payments | Default, satisfactory repayment arrangement |
| EA | False certification (ability to benefit) discharge | Canceled or discharged |
| EC | Closed school discharge | Canceled or discharged |
| EF | Loan discharged for fraudulent disbursement | Canceled or discharged |
| EJ | Court ordered write-off | Canceled or discharged |
| FB | Forbearance | In school, grace period |
| ID | In school or grace period | In school, grace period |
| OD | Default, bankruptcy discharge | Canceled or discharged |
| PC | Paid in full through consolidation | Paid |
| PF | Paid in full | Paid |
| RP | In repayment | In school, grace period |
| UI | Uninsured, Unreinsured | Lost guarantee |

| | <i>LOAN STATUS</i> | <i>Eligible for SFA Funds*</i> |
|------------|---------------------------------|---|
| YES | In school, grace period | |
| | Paid | For consolidation, it does not matter what type of consolidation loan the borrower received, nor whether the loan was in default before consolidation. |
| | Lost guarantee | It does not matter if the loan was in default. |
| | Canceled or discharged | For a borrower who had a disability cancellation to receive new loans, the borrower must have a doctor's certification that his or her condition has improved and sign a statement indicating that he or she is aware that the new loan cannot be canceled. |
| | No default, bankruptcy filing | Loan was not in default and has not been discharged. |
| | Default, compromise | Compromise is recognized as payment in full. |
| | Default, satisfactory repayment | If borrower continues to comply with repayment plan or is granted forbearance. |
| NO | Default, bankruptcy filing | Unless debtor can show that loan is dischargeable. |
| | Default, written-off | Unless debtor reaffirms loan and makes satisfactory repayment arrangements or repays loan in full. |
| | Default | |

*Federal Perkins Loan regulations allow the financial aid administrator to deny eligibility for additional loans if he or she has evidence that the applicant is unwilling to repay the loan.

Rehabilitation Cite

Sec. 428F(a), 464(h)(1); 34 CFR 674.5(f), 682.405, 685.211(e)

Rehabilitation Example

Eric continues making payments on his defaulted loan, and finally makes the 12 payments required for rehabilitation. His original lender isn't handling student loans anymore, so the guarantor finds another lender to purchase the loan. It takes the guarantor 3 months to arrange the purchase, and Eric needs to keep making the agreed on payments on time. Once the new lender has the rehabilitated loan, Eric can apply for an in-school deferment.

Loan Limits and Eligibility Cites

Sec. 484(f), 34 CFR 668.32(g)(2), 668.35(b)

Repayment Arrangements Satisfactory to the Holder

For defaulted loans, the law and regulations specify what a satisfactory repayment agreement is. For students who have exceeded loan payments or owe an overpayment, the law and regulations don't say anything about what makes a repayment agreement satisfactory. The loan holder (for loan limits) or school (for overpayments) has complete discretion to determine whether the repayment arrangement is satisfactory.

Rehabilitation

Although a student can regain eligibility for all SFA funds after making satisfactory repayment arrangements, the loan is still in default. After the student makes more payments, the loan may be rehabilitated (that is, it won't be in default any more), and the student has all the normal loan benefits, such as deferments. A student with a FFEL has to make 12 consecutive, full, voluntary payments on time before the loan can be rehabilitated. After the 12 payments have been made, the guarantor can arrange to have the loan purchased by a lender; the loan will then be rehabilitated. A defaulted Direct Loan is automatically rehabilitated after 12 consecutive, full, voluntary payments have been made on time. (See the Direct Loan and FFEL Programs Reference.) A Perkins Loan or an NDSL will be rehabilitated after the borrower executes a new written repayment agreement and makes one payment for each month for 12 consecutive months. (See the Campus-Based Programs Reference.)

Loan Limits

As mentioned previously, a student's ineligible for SFA funds if he or she has exceeded annual or aggregate loan limits. If the student **inadvertently** exceeded the limits, he or she can receive SFA funds if he or she repays the extra loan amount in full or makes repayment arrangements that are satisfactory to the loan holder. The borrower will remain ineligible for further SFA funds until one of these conditions is met.

Because a school should have verified compliance before a loan is disbursed to the student, excess borrowing shouldn't occur often. Excess borrowing might occur

- if a student borrowed for attendance at multiple schools and a school didn't receive financial aid transcripts or updated NSLDS history data before disbursing a Perkins Loan, certifying a FFEL, or originating a Direct Loan; or
- if the student used different names or SSNs when borrowing.

See the Campus-Based Programs Reference for Perkins Loan limits and the Direct Loan and FFEL Programs Reference for Direct Loan and FFEL limits.

The student's total outstanding loan balance, as well as the most recent loans, are listed in the Financial Aid History section of the output document. Schools can use this information to make sure students don't exceed loan limits. A comment will be on the output document if the student appears to have exceeded aggregate loan limits or is within one annual loan of exceeding the aggregate loan limit. If the student appears to have exceeded aggregate limits, the output document will also have a C code.

Overpayments

If a student receives a Pell overpayment, he or she can continue to receive SFA funds if the overpayment can be eliminated by reducing the subsequent Pell payments for the same award year. A student who receives an overpayment through the FSEOG, LEAP, or Perkins Loan program⁴ can continue to receive SFA funds if the overpayment can be eliminated by adjusting subsequent financial aid payments (other than Pell) within the same award year.

Overpayment due to school error

The school is liable for overpayments that result from school error, such as those in the following list:

- The school made an interim disbursement before verification was complete (see Chapter 8 for information on the verification process).
- The school had conflicting documentation when the award was made (regardless of when the conflict was discovered).
- The school made an incorrect calculation of a student's eligibility for aid.

If the overpayment was the result of the school's error and the school can't eliminate the overpayment in the same award year, the school must repay the overpayment; the student is then not considered to owe an overpayment and may receive SFA funds.

Interim disbursements

If the overpayment is the result of an interim disbursement, the school can also continue to pay SFA funds to the student if the student repays the overpayment in full or makes repayment arrangements satisfactory to the school. If the student won't repay the overpayment, the school must repay the overpayment from its own funds within 60 days following the student's last day of enrollment or by the last day of the award year, whichever comes first. Again, once the school satisfies the overpayment, the student regains eligibility.

Overpayment due to student error

If a student's error caused the overpayment, the student is responsible for repaying the overpayment. If the overpayment can't be eliminated by adjusting later disbursements in the award year, the student can't receive additional SFA funds until he or she repays the overpayment in full or makes repayment arrangements that are satisfactory to the school. If the student won't agree to repay, the school isn't liable for the overpayment, but must make a reasonable effort to contact the student and collect the overpayment. In the case

Overpayments and Eligibility Cites

Sec. 484(a)(3), 34 CFR 668.22(h), 668.32(g)(4), 668.35(c), (e)

Overpayment

An overpayment is the amount of SFA funds a student received that's more than the amount the student was eligible for. For example, if the student received a \$3,125 Pell, but the school later discovers that the student's EFC was incorrect and the student should only have received \$1,675, then the student has a \$1,450 Pell overpayment.

Overpayment School Error Examples

Allen received a Pell at Sarven Technical Institute. Although Sarven had the correct EFC on Allen's ISIR, a different EFC was used in the Pell calculation, so Allen received too much money. Because the overpayment is due to a school error, Sarven is liable for the overpayment.

Owen received an outside scholarship to attend Guerrero University. The bursar's office was notified of the scholarship so that it would apply the payments properly, but didn't notify the financial aid office. Owen received a Perkins Loan, but the financial aid office didn't take the scholarship into account when awarding the loan, because it didn't know about the scholarship. When the financial aid office later finds out about the scholarship, it discovers that Owen received too much aid, and has a \$600 Perkins overpayment. Because the school had information about the scholarship (even though the financial aid office didn't), the overpayment is due to a school error.

Overpayment due to Interim Disbursement Cite

34 CFR 668.61(a)

⁴For all campus-based programs, if the student's total resources exceed his or her need by no more than \$300 in excess of the amount for which he or she was eligible, this isn't considered an overpayment as long as it resulted from additional resources becoming available. If it results from school error (rather than additional resources becoming available), it is an overpayment and must be dealt with as discussed in this chapter. For more information, see Chapter 10 of this publication and the Campus-Based Programs Reference.

Overpayment Student Error Examples

When Chavo applied, he didn't have his W-2 forms, so he estimated his income and said that he wasn't going to file a tax return. After he received his aid from Sarven Technical Institute in June, he told the FAA that he'd underestimated his income, and had had to file a tax return. When Chavo submitted the corrections, his EFC was increased, and Sarven determined that he'd received a Pell overpayment. Sarven canceled his second Pell disbursement, but he still owed \$100. Sarven allowed Chavo to make a repayment agreement to repay \$25 a month for four months so that he'd still be eligible for other aid for the rest of the year.

Meurig has to report financial information about his father on the application, although he's living with his stepfather. On the 2000-2001 application, he doesn't report any assets for his father, and Brust Conservatory uses the information from that application to award SFA aid. However, his 2001-2002 application is selected for verification, and during the verification process Brust discovers that Meurig's father has a business that should have been reported as an asset. Brust asks for tax information for the previous year, and determines that Meurig should also have reported the business as an asset on the 2000-2001 application. Meurig's EFC increases when he makes the correction, and he received an overpayment for the 2000-2001 award year. Because he's already received all his aid for the year, he has to either pay the overpayment or make a repayment agreement.

Reporting Overpayments to NSLDS Cite

"Dear Colleague" Letter GEN-98-14, July 1998

Electronic Requirements Cites

September 19, 1997 Federal Register notice, "Dear Colleague" Letter GEN-97-11, October 1997

of an FSEOG overpayment, the school must promptly attempt to recover the overpayment by sending a written notice requesting payment in full to the student.

If the student is responsible for repaying the overpayment, the school may, if it chooses, make the repayment for the student (that is, the school can return to the program accounts the amount overpaid to the student). When a school makes such a repayment on the student's behalf, the student is no longer considered to owe an overpayment. Instead, the student owes an institutional debt that the school can collect according to its own procedures. Because the student doesn't owe an overpayment, he or she is eligible for SFA funds as long as all other eligibility criteria are met.

Reporting overpayments to NSDLS

Starting in July 1998, schools could report overpayments to NSLDS. Schools must report overpayments or changes to previously submitted information within 30 days of the date it learns of the overpayment or change.

Schools only report unresolved overpayments if they're due to student error; overpayments which are a result of school error aren't reported (instead, as discussed previously, the school must repay the overpayment). Also, if the school has paid the overpayment for the student as described above, the overpayment isn't reported to NSLDS, because it's no longer considered an SFA overpayment.

Schools must use the on-line NSLDS screens to report overpayments, which means they need on-line access to NSLDS. The September 19, 1997 electronic requirements notice stated that schools had to have on-line access by January 1, 1998. For information on entering overpayment data, see Chapter 7 of *The NSLDS: The Paperless Link: Computer Assisted Training Guide*. This publication is available on the IFAP web site <<http://ifap.ed.gov>>, or schools can call 1-800-999-8219 to ask for a copy.

After the information is reported to NSLDS, the student's future output documents will show that he or she has an overpayment (see "NSLDS Match," page 64). The Financial Aid History section will have information on the overpayment, including whether the student has made repayment arrangements.

Referral of overpayment cases

As mentioned previously, the school must try to collect from its students overpayments that haven't been repaid. If a school can't recover a Pell or FSEOG overpayment for which the student is liable, the school must refer the overpayment to the Department for collection. (See the Pell Reference and the Campus-Based Programs Reference for more information.) The school must make this referral in addition to the earlier reporting of the overpayment to NSLDS.

If the school can't collect a Pell overpayment, it can refer the overpayment to DCS if the amount owed is at least \$25. It can also refer an FSEOG overpayment to DCS as long as the federal share of that overpayment is at least \$25. If the school chooses not to refer such overpayment cases to DCS, the school is liable for the overpayments and must repay the appropriate program funds from school funds. If the federal share of an FSEOG overpayment is less than \$25, and the school can't collect from the student, the school isn't required to take further action.

To refer a Pell or FSEOG overpayment case to DCS, the school must provide all information necessary for collection on the case. Each referral must be typed and submitted on the school's letterhead and should follow the format given on page 62. In addition, when the school refers the overpayment, it should update the overpayment information previously reported to NSLDS by changing the Source field from SCH to TRF (see *The NSLDS: The Paperless Link: Computer Assisted Training Guide*).

Remember that even if the amount owed is less than \$25, it's still an overpayment, and the student will continue to be ineligible for federal student aid funds at any school until the amount is repaid or until satisfactory repayment arrangements are made. The school should use all available means to recover the overpayment from the student, in accordance with the school's standard policies and procedures, for as long as the school believes is reasonable.

School responsibility

After referring an overpayment case, the school can't make further federal student aid payments to the student until it's received notice from the Department. In addition, it may be required to provide any relevant documentation it has.

Once the school receives confirmation from the Department that the referred account has been accepted, it has no responsibility in the collection of the debt unless the student contacts the school to make repayment. If the student tells the school that he or she wishes to make repayment, the school should accept payment on behalf of the Department and forward the payment to:

U.S. Department of Education
Debt Collection Service
P.O. Box 4169
Greenville, Texas 75403-4169

The school should put the student's name and SSN on the check. If the check covers more than one student, the school should list each student's name, each SSN, and each payment amount.

School Resolves Student Concerns Before Referral

If a student claims that a school's FSEOG overpayment determination is erroneous, the school must consider any information the student provides and determine whether the objection is warranted before referring the case to DCS.

Overpayment Referral Format

In referring overpayment accounts to ED, the institution must provide all the information listed. Also, each referral *must be* typed and submitted on institutional letterhead.

PART 1. Student Information

Name: _____ Social Security Number(s): _____ Date of Birth: _____
Address(es): _____ Telephone Number(s): _____

PART 2. Parent/Spouse Information

Name(s): _____ Social Security Number(s): _____
Address(es): _____ Telephone Number(s): _____

PART 3. Disbursements and Repayments

1. Name of aid program: _____
2. Total amounts disbursed: \$ _____
 - a. Amount credited to tuition account: \$ _____
 - b. Amount disbursed in hand: \$ _____
3. Dates of disbursement(s): _____
4. Costs incurred by student: \$ _____
5. Amount determined to be owed: \$ _____
6. Total amount of debt repaid to institution: \$ _____
7. Date of last payment to institution, if any: _____
8. Total amount being referred: \$ _____
(For FSEOG, provide federal share amount only)

PART 4. Other Required Information

Award Year of Overpayment: _____
Student Education Costs: _____
Name and Telephone Number of Institutional Contact: _____
Pell Identification Number of Institution: _____

PART 5. Detailed Explanation of Reason for Overpayment

Provide a detailed explanation of the reason for the overpayment. Each account reported to ED *must* contain this explanation.

**FORWARD THE
REFERRAL
INFORMATION
TO:**

U.S. Department of Education
Student Financial Assistance Programs
c/o Student Loan Processing Center
Program Overpayments
P.O. Box 4157
Greenville, Texas 75403

If the student whose overpayment case has been accepted by the Department wishes to establish a repayment schedule, the student should contact DCS at 1-800-621-3115 or DCS_HELP@ed.gov.

Departmental responsibility

Upon receipt of an overpayment referral, the Department will determine if enough information has been provided to start collection activity; any referral lacking information will be returned to the school. If the referral information is complete, the school will receive a letter confirming receipt and acceptance of the overpayment referral.

DCS will then start collection activity (letters and telephone contacts) to try and establish a repayment schedule or secure payment in full. DCS will also update the NSLDS information the school already reported to show that DCS now holds the overpayment. The student's output document will still show that he or she owes an overpayment, but will now direct the student to contact DCS instead of the school.

Other Loan Problems

A student who has filed bankruptcy or had a loan discharged for disability might need to provide some additional documentation before receiving aid.

Bankruptcy

A student with an SFA loan discharged in bankruptcy is eligible for SFA grants, work-study, and loans. A borrower doesn't have to reaffirm a loan discharged in bankruptcy in order to be eligible. The Bankruptcy Reform Act of 1994 prohibits denial of aid based solely on a bankruptcy discharge.

A borrower who listed a dischargeable SFA debt in a bankruptcy filing is also eligible for further federal student aid before the debt is actually discharged. The borrower must provide documentation to the school from the holder of the debt stating that the debt is dischargeable.

In addition, if a student includes a non-defaulted SFA loan in a bankruptcy claim, so that collection on the loan is stayed, the student remains eligible for SFA funds as long as he or she has no loans in default (including the stayed loan) and as long as all other eligibility requirements are met. For more information on loan status and eligibility, see the chart on 57.

Total and permanent disability cancellation

A borrower whose loan is canceled because of total and permanent disability may later receive any type of SFA funds if he or she meets all other eligibility requirements. If such a borrower wishes to take out an SFA loan, he or she must obtain certification from a legally licensed physician stating that the student's condition has improved and that

Successful Match Results Flag and Match Flags

Results Flag: 1, Match Flags: 1, 2, 3, 4

Partial Match Results Flag and Match Flag

Results Flag: 2, Match Flag: 7

Partial Match Comment Code

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Incorrect Information on Application Example

When Sarven Technical Institute receives Tod's ISIR, it shows that there was a discrepancy with the NSLDS database, and so no financial aid history information is provided. The FAA asks Tod if he provided the correct name and birth date on the application. Tod says he wrote in the wrong month for his birth date, but his name is correct. The FAA checks the NSLDS database using Tod's SSN. NSLDS shows the correct birth date, but the first name of the student is Warren, not Tod. Sarven checks again with Tod, and this time he explains that Tod is a nickname, and Warren is his real name. Sarven determines that the financial aid history associated with the SSN belongs to Tod. It could disburse aid without requiring a correction, but Tod has other corrections to make, so Sarven will wait for the correction before disbursing aid.

the student 1) has the ability to engage in substantial gainful activity or 2) can attend school. Then the student must sign a statement indicating that he or she is aware that his or her new SFA loan can't later be canceled on the basis of any present impairment unless that condition substantially deteriorates to the extent that the definition of total and permanent disability is again met. The borrower isn't required to obtain a physician's certification or to sign the statement if he or she is applying for an SFA grant or work-study only.

NSLDS MATCH

To help schools determine if a student has problems such as defaulted loans, overpayments, or exceeded loan limits, the CPS matches the student's application with the NSLDS database. Remember that a school is responsible for reconciling all information it receives about a student before disbursing aid (see the Introduction). Therefore, schools must resolve any conflicts between the NSLDS information and information received from the student. For example, if the NSLDS shows that a student isn't in default but the school has documentation showing that the student is in default, the school must resolve this conflict before disbursing federal student aid.

A student's application information is matched against the NSLDS database, and the results of this match are provided on output documents on the NSLDS Financial Aid History page and in the FAA Information Section. As is the case for other matches, a "C" next to the student's EFC indicates problems that must be resolved. The school must resolve these eligibility problems before disbursing aid.

Successful Match

An output document will contain the NSLDS financial aid history information only if the student's identifying information matches the database and there is relevant information for the student in the database. The financial aid history won't be provided on a rejected application. If the student has no defaults or overpayments, or has made satisfactory repayment arrangements on a defaulted loan, the NSLDS match flag will be 1 and no C code will be on the output document. A match flag of 2, 3, or 4 indicates that the student has defaulted loans or owes an overpayment. The school will then need to resolve the problem before disbursing aid, as described previously.

No Data from Match

There are several reasons why a student's output document won't have financial aid history information. As already mentioned, the financial aid history isn't provided on a rejected application. For the other cases, the school can check the NSLDS flags reported in the FAA Information Section to determine why there's no NSLDS financial aid history.

Partial match

If the student's SSN is in the NSLDS database, but the first name and date of birth don't match what the student reported, then no financial aid history will be reported, and the output document will

have a C code. The output document will have a comment explaining that the financial aid history isn't provided because the name and date of birth do not match, and directing the student to work with the school to resolve any discrepancies. A partial match **requires resolution**, as explained in the following paragraph; otherwise the school won't have information from the Department on defaults and overpayments.

If the student originally reported incorrect information, the school can have the student submit correct information; the student's information will then be sent through the match again. The school can also access NSLDS directly using the reported SSN to determine if the NSLDS record belongs to the student. The school determines whether the NSLDS record is the student's by considering whether other information it has about the student is consistent with the NSLDS data. For example, if the name reported on the application is a nickname and the name in NSLDS is the actual name, the school should determine that the record is the student's and use the NSLDS data in determining the student's eligibility. Or if the school knows that the student attended a particular school in a particular award year, and NSLDS shows aid received at the school in that year, the school may assume that the record belongs to the student. If the school discovers the discrepancy is due to the student misreporting the name or date of birth on the application, it should have the student make a correction. However, the school may use the NSLDS record to determine the student's eligibility; it doesn't need to wait for the corrected data to be reported.

If the school determines that the financial aid history associated with the student's SSN doesn't belong to the student, it should assume that the student has no relevant financial aid information. The school (or the student) may also contact the agency that reported someone else's data using the student's SSN, but isn't required to do so. See "Dear Colleague" Letter GEN-96-13 for further discussion.

Student not in database

If a match with NSLDS is completed but there's no information on the student in the database, then no financial aid history information can be provided. The output document will have a comment explaining that the student's SSN is not associated with any previous financial aid history. The school can thus assume that the student has no financial aid history unless it has conflicting information.

No relevant history

If a student's SSN matches a record in the NSLDS database but there's no relevant financial aid history information to report, then no information will be on the output document. For example, no data would be reported if the only information for a student was for a Pell received in the previous year, because that information isn't needed to determine the student's eligibility for aid for the current year. The student will receive a comment explaining that his or her record was matched with NSLDS, but no information was found to print on the NSLDS page.

Incorrect NSLDS Data Example

Lydia is a first year undergraduate at Bennet College, and has never attended college before. When Bennet receives Lydia's ISIR, it shows that there was a partial match, and there's some data associated with her SSN. Bennet checks NSLDS directly, and it shows that a lender is reporting a loan made ten years ago (when Lydia was in elementary school) under her SSN, but with a completely different name and birth date. Bennet determines that this isn't Lydia's loan, and so she has no financial aid history in NSLDS. Bennet also suggests to Lydia that she should contact the lender and ask them to correct the NSLDS data, so it doesn't cause problems for her later on.

Not in Database Results Flag and Match Flag

Results Flag: 3, Match Flag: 1

Not in Database Comment Code

140

No Relevant History Results Flag and Match Flag

Results Flag: 4, Match Flag: 1

No Relevant History Comment Code

137

Processing Problem Results Flag
and Match Flag

Results Flag: blank, Match Flag: 8

Processing Problem Comment
Code

131

Processing problem

If there was a problem with the match, no financial aid history information will be on the output document, and it will have a C code. The output document will also have a comment explaining that the CPS couldn't determine whether the student has loans in default, and directing the student to contact the FAA. The school must get the student's financial aid history before disbursing aid. If the student has to make corrections, the application will go through the match again when the corrections are submitted, and the FAA can use the results of that match to determine the student's eligibility. The student or school can also request a duplicate output document. The application will go through the match again when the duplicate is requested, so the school might get match results the second time. Finally, the school can instead request paper financial aid transcripts from all the schools the student previously attended.

Changes after Initial Match

Once the school has received the financial aid history through NSLDS, it isn't required to check for changes to the data before it disburses or delivers funds to the student. However, if the school learns (from NSLDS or another source) that the student wasn't eligible or is no longer eligible, it must not deliver or disburse any more SFA funds and must help make sure the student arranges to repay the aid that he or she wasn't eligible for.

The Department has a postscreening process to notify schools when there are significant changes to a student's NSLDS data. Under postscreening, the CPS generates new output documents when the student's eligibility may have changed due to a change in NSLDS data, so that schools that are listed in the student's application information will automatically be notified. Items that have changed since the last transaction are also marked on the output document with a “#” sign.

To help schools identify when they have received an output document with changed NSLDS data, the Department provides the NSLDS Transaction Number. This number can be found in the FAA Information Section with the other match flags. The NSLDS Transaction Number is the number of the last transaction on which the NSLDS data changed. If a school receives an output document with an NSLDS Transaction Number later than the one on the output document the school used to determine the student's eligibility, the school should review the NSLDS data on the new document to be sure there are no changes affecting the student's eligibility. Note that if a student or school requests a duplicate output document, the request is also sent to NSLDS for matching. If the NSLDS data have changed, the request will be treated as a system-generated correction, and both the output document transaction number and the NSLDS Transaction number will be updated.

NSLDS Match

| <i>Result</i> | <i>Results flag</i> | <i>Match flag</i> | <i>"C" code or rejected application</i> | <i>Comment number and text</i> | <i>Action needed</i> |
|---|----------------------|-------------------|---|--|--|
| Student not in default, does not owe overpayment | 1 NSLDS data sent | 1 | | No comment | None |
| SSN is in database, but neither the first name nor date of birth matched | 2 | 7 | C code | 138 We matched your social security number (SSN) with the National Student Loan Data System (NSLDS), but neither name nor date of birth on the NSLDS record match the information on your student aid application. Therefore this SAR does not contain the financial aid history that is associated with your reported SSN. You should review your name, SSN, and date of birth and work with your FAA to resolve discrepancies. | If the student originally reported incorrect information, he or she should make a correction. The application will be sent through the match again, and the school should check the new output document for the results. Otherwise, the school can access the NSLDS directly to determine if the record belongs to the student (see "Partial match," page 64). If the record does belong to the student, the school must use the NSLDS data in determining the student's eligibility. If the record is not the student's, the school should assume that the student has no relevant financial aid history; it may also want to contact the agency that provided the information. |
| Student is not in the NSLDS data file | 3 | 1 | | 140 Your application record was compared with the National Student Loan Data System (NSLDS). The NSLDS confirmed that your social security number is not associated with any previous financial aid history. | None |
| Student is in the NSLDS data file, but there is no relevant data to print | 4 | 1 | | 137 Your application record was compared with the National Student Loan Data System (NSLDS). However, no financial aid history information was found for printing on your SAR. | None |

NSLDS Match (continued)

| <i>Result</i> | <i>Results flag</i> | <i>Match flag</i> | <i>"C" code or rejected application</i> | <i>Comment number and text</i> | <i>Action needed</i> |
|---|----------------------|-------------------|---|---|---|
| Student has at least one loan in default | 1 NSLDS data sent | 2 | C code | 132 Our records indicate that you are in DEFAULT on a Federal student loan. You are not eligible to receive any Federal student aid until your account has been resolved. | The output document will also have comments indicating who holds the loan, unless the loan is a Perkins Loan. The school code of the school holding a defaulted Perkins Loan will be on the NSLDS Information page. The student must resolve the default before he or she can receive aid (see "Default," page 56.) |
| Student owes at least one overpayment | 1 NSLDS data sent | 3 | C code | 133 Our records indicate that you received at least one overpayment of Federal student aid funds. You are required by law to repay any funds received from the Federal student aid programs to which you were not entitled. Until your overpayment has been resolved, you are ineligible to receive any Federal student assistance. | If the Department holds the overpayment, the output document will also have a comment identifying the appropriate regional office. The NSLDS Financial Aid History page lists codes for the holders of overpayments. The school can also access NSLDS directly to determine the holder of a Perkins overpayment. The student must resolve the overpayment before he or she can receive aid (see "Overpayments," page 59.) |
| Student has at least one defaulted loan and owes at least one overpayment | 1 NSLDS data sent | 4 | C code | 134 Our records indicate that you are in DEFAULT on at least one Federal student loan and that you received at least one overpayment of Federal student aid funds. You are not eligible to receive any Federal student aid until your accounts have been resolved. | See the required actions for default and overpayment above. |

NSLDS Match (continued)

| <i>Result</i> | <i>Results flag</i> | <i>Match flag</i> | <i>“C” code or rejected application</i> | <i>Comment number and text</i> | <i>Action needed</i> |
|--|---------------------|-------------------|---|--|---|
| Match not conducted due to processing problems | | 8 | C code | 131 To receive Federal student aid, you cannot be in default on any U.S. Department of Education student loan. Because of processing problems we were unable to determine whether you are in default on a loan. Contact your FAA for more information. | If any corrections are made, the student's information will be rematched with NSLDS. In addition, if the student or school requests a duplicate output document, the application information will be rematched with NSLDS. In either case, the school should check the new output document for match results. Otherwise, the school must get a paper FAT from any previous schools. |

FINANCIAL AID HISTORY

Before disbursing or delivering SFA funds, a school must receive a financial aid history for a student who has received aid at another school. The financial aid history is used to prevent a student from receiving any SFA aid if he or she is in default or owes a repayment on an SFA grant or loan, or from exceeding SFA program limits.

In the past, a school had to get a student's financial aid history by requesting a paper financial aid transcript (FAT) from the previous schools the student attended. Since 1996, schools have also been able to get student financial aid histories through NSLDS.

Although schools are strongly encouraged to use NSLDS for financial aid histories, they aren't required to do so. Schools may still request a student's financial aid history through a paper FAT, and a school that receives a request for a paper FAT must still complete and return the FAT to the requesting school. There are no changes to the requirements for requesting or receiving a paper FAT. A school can withhold academic transcripts from students who are in default or owe an overpayment if it wishes, but it must release financial aid transcripts or financial aid history information at the request of the student or another school.

Although the use of NSLDS for financial aid histories is optional, as of January 1, 1998 schools are required to have on-line access to NSLDS for other purposes.

Financial Aid History Cite

34 CFR 668.19

NSLDS for Financial Aid History Cites

“Dear Colleague” Letter GEN-96-13; September 16, 1996 Federal Register notice

NSLDS for Financial Aid History

There are four ways for a school to get financial aid history information from NSLDS. The school can

- use the NSLDS Financial Aid History section of the output document;
- request an electronic data file of financial aid history information for specific students through the TIV-WAN;
- request an electronic print file of financial aid history information for specific students through the TIV-WAN; or
- log on to NSLDS directly and access the NSLDS data on-line for an individual student.

In most cases, the financial aid history on the output document will be enough. There are some cases where the school might want to check NSLDS for more information. For example, if the student has more than 12 loans, detailed information on some of the loans isn't on the output document, and the school will need to look at NSLDS if it needs the details. Or, as discussed previously, the school might need to use NSLDS to resolve a partial match situation (see "Partial Match," page 64).

Midyear transfers

In some cases, NSLDS might not provide timely financial aid history information for students who attended another school during the same award year (midyear transfers). Because NSLDS data providers are on a monthly submission schedule (except Pell, which is updated daily), the student's current information may not be available immediately when he or she transfers. The school has several options for obtaining financial aid history information for midyear transfer students.

- The school can determine if the student previously attended other schools (see "Checking previous attendance," page 71) and obtain financial aid history information for a midyear transfer directly from the previously attended school or schools. If the previous school has closed, the school can check NSLDS or write to the FSAIC, as described under "Requesting FAT information," page 72.
- The school can use NSLDS for the financial aid history for previous years, and request only current year information from the previous school. The necessary current year information is: the student's name and SSN, the award year which the transcript covers, the student's scheduled Pell Grant, the amount of Pell funds disbursed, the amount of Perkins loan disbursed, and the amount of, and period of enrollment for, the most current loan made to the student under the FFEL and Direct Loan programs.

- The school can use NSLDS and disburse aid if it checks NSLDS no earlier than 60 days after the student’s last date of enrollment at the other school. Waiting for 60 days after the student’s previous enrollment has ended should allow enough time for all the data from the previous school to be reported. If the school later discovers that the student shouldn’t have received all or some of the aid, the school wouldn’t be liable, but the student would be responsible for repaying any amounts for which he or she was not eligible.
- The school could review the NSLDS data from the student’s output document and then make an initial disbursement of Pell and campus-based funds or certify or originate loans as is permitted when a school is waiting to receive an FAT it has requested (see page “Payment and certification options,” page 72). The school would then check NSLDS no earlier than 60 days after the student’s last enrollment at the previous school; it may then make subsequent disbursements or release loan funds, if the student’s eligibility is confirmed.

Requirement to Check Previous Attendance Cite
34 CFR 668.19(a)(1)

Financial Aid Transcript

If a school doesn’t use NSLDS for financial aid history information, it has to determine for each student if the student attended any other eligible schools and then get FAT information from those other schools.

Checking previous attendance

If a school is using FATs instead of NSLDS, the school must make an active effort to find out if the student previously attended other schools. For instance, most schools routinely ask any prospective student to state previous academic experience, either in the course of an admissions interview or on the school’s application. The school is responsible for ensuring the “consistency of information” at the school regarding a student’s eligibility (see “Conflicting Information” in the Introduction), and therefore must have a system to exchange such information with the admissions office.

Requesting FAT information

The FAT information must be sent directly from the previous school to the current school (not to the student). The student can request that a transcript be sent, or the current school can make the request. In either case, the current school must document that a request was made. (Neither the school nor the student is required to request a financial aid transcript from a foreign school.) Note that although a student can make the request that a transcript be sent, it is the school, not the student, that is **required** to obtain the FAT.

A school isn’t required to use a paper FAT to get the FAT information directly from another school. A school can use any reasonable method to get the information, as long as the school has all the information required by regulations and the school maintains proper documentation. Instead of using a paper FAT, a school may get the information through written documentation, such as letters or

No Transcript Required Cite
34 CFR 668.19(a)(5)

faxes. All documentation must contain the signature of the official authorized by the previous school to provide FAT information. The use of email isn't allowed because signatures can't be attached to email.

Payment and Certification Options Cite
34 CFR 668.19(a)(3)

If it appears that the student's previous school has since closed, the school might want to use NSLDS to get the financial aid history. Otherwise, the current school can request the Department's assistance by writing to the following address:

Federal Student Aid Information Center
Financial Aid Transcript Request
P.O. Box 4129
Iowa City, IA 52244

The current school will receive one of the following responses from the Department's FSAIC:

- No transcript is required for this student because his or her school has closed, is no longer eligible to participate in the SFA Programs, or doesn't appear to be actively participating in the SFA Programs;
- The transcript must be requested directly from the school, which is currently in operation and is participating in the SFA Programs (the school's current name and address will be included in this response); or
- The request didn't provide the needed information; the school must resubmit the request, providing the name of the student, the name and address (city, state) of the previous school, and the specific years of attendance in question.

If no transcript is required, either because the previous school is foreign, has closed, or doesn't participate in the SFA Programs, a school isn't required to take further steps to get financial aid history information. However, the school must use any information it has to ensure that the student hasn't defaulted on an SFA loan. A school is required to check any ISIRs it receives as a result of the postscreening process. Also, to prevent an overaward for the current award year, the school should get the student's signed statement of the amounts of SFA Program funds that were awarded and disbursed to him or her for the current award year.

Payment and certification options

Once the school has requested the FAT information, it can pay the student Pell and campus-based funds for one payment period only. If a school exercises this option, after it receives the transcript information it must make any necessary adjustments to the student's aid package before making another payment. Also, the school must have documentation that the FAT information was requested. The school isn't liable for the amount of the first payment if it never receives the FAT information (or if the information arrives and shows that the student is ineligible). However, the school can't make any subsequent

payments to the student without receiving the transcript information, and must attempt to collect any overpayment from the student (see "Overpayments," page 59).

Sending a Transcript Cite
34 CFR 668.19(b), (d)

After requesting the transcript information, the school can certify a Stafford loan application for the student, but can't release the proceeds from the loan until after the transcript information is received. If the school certifies a Stafford loan application and then receives FAT information that shows that the student is ineligible, the school must return the loan proceeds to the lender. In addition, the school can't hold FFEL proceeds for more than three days if the school receives the funds by EFT or master check, or thirty days if the school receives the funds by individual check. If the FATs still have not arrived at the end of the three (or thirty) days, the school must return the loan proceeds to the lender. For more information on the return of FFEL Program funds to a lender, see the Direct Loan and FFEL Programs Reference.

Under General Provisions regulations, the school can't certify a PLUS application until the school has received the FAT information.

After requesting the transcript information, the school can originate a Direct Loan award for the student, but the school can't disburse funds to the student until the transcript information is received.

In several cases, the regulations permit the school to pay a transfer student without receiving a financial aid transcript. The school may pay the student as usual if the previous school certifies that the student didn't receive SFA Program funds or certifies that the record retention period for the student's period of attendance has expired and the previous school no longer has the student's records. (See the *SFA Handbook: Institutional Eligibility and Participation* for recordkeeping requirements). As mentioned earlier, the new school can also pay without transcript information if the new school discovers that the previous school has closed and the requested information isn't available.

Sending a transcript

When a school receives a request for FAT information, the school must promptly provide the requested information. If the student didn't receive SFA funds, or attended the school so long ago that the record retention period has lapsed and the school no longer has those records, the school must notify the requesting school in writing that the transcript information won't be sent and specify the reason. If the school sending the transcript information has any information indicating that the student had attended any other schools, it must include the names of those schools with the transcript information (or in the written response, if the school isn't required to send transcript information). When the school requesting the transcript information finds that the student has attended another school, it must also request transcript information from that school.

Required Transcript Contents Cite
34 CFR 668.19(c)

A school can't withhold FAT information for a student who owes a debt to the school (such as unpaid tuition and fees, or a library fine or parking fine). However, the Department doesn't discourage the withholding of official academic transcripts in compliance with applicable state laws.

All FAT information must be signed by the person the school authorizes to sign transcripts and other financial aid documents; the transcript doesn't need to be certified. Using a signature stamp to validate transcript information is also acceptable if the stamp is restricted for use by specific financial aid personnel. In either case, a school is liable for any inaccurate information provided. Note that a school can accept a fax of transcript information if it's properly completed and signed.

Required information items

The transcript information must include

- **the student's name and Social Security Number.**
- **whether the student is in default on an NDSL, or Perkins Loan, or owes a repayment on a Pell, Perkins Loan, or FSEOG at that school.** The school should always be able to tell from its own records if the student's in default or owes a repayment for any of these programs.
- **if known, whether the student owes a repayment on a LEAP grant or is in default on a FFEL or Direct Loan received at that school.** In many cases, the holder of the debt (the guaranty agency, the state agency, or the Department) will have informed the school if the student is in default or owes a repayment.
- **for the award year in which the transcript is requested, the amount of Perkins funds disbursed.**
- **the total amount of any loans received by the student under the Perkins and NDSL programs at that school.**
- **whether the student had an outstanding balance on an NDSL (either Defense or Direct) from that school on July 1, 1987.** This will affect whether the student may be considered a new borrower in the Perkins Loan Program. New Perkins borrowers are given a nine-month grace period, rather than the six-month NDSL grace period and are eligible for a cancellation for volunteer service in the Peace Corps (see the Campus-Based Programs Reference).
- **whether the student had an outstanding balance on an NDSL (either Defense or Direct) from that school on October 1, 1992.**
- **the amount and period of each loan made to the student under the FFEL and Direct Loan programs at that school.** This

includes PLUS loans taken out by the student's parents on the student's behalf.

- **the student's Scheduled Pell Award and the amount of Pell funds disbursed to the student for the current award year.**

Schools don't have to report information on FSEOG awards with the transcript information because annual FSEOG maximums apply only to the amount that the school may award during an award year, not to how much the student may receive from multiple schools.

When responding to an FAT request, a school isn't required to include information about the amount of aid awarded at other schools or the student's default or overpayment status at other schools. However, the school sending the transcript must list these other schools with the transcript information, and the new school must make sure that it has received transcript information from those schools.

A school can decide to provide additional information such as types of work-study or cooperative-education study performed, institutional scholarships awarded, or Pell awards received in prior years. A school can also include any information about a student's eligibility for, or receipt of, financial aid if the school considers that information useful to the school the student will be attending.

Model Transcript

Although there's no official form for the required FAT information, the National Association of Student Financial Aid Administrators (NASFAA) has developed an FAT form that schools may use as a model (see the following pages). FAAs may receive a copy by writing to NASFAA at 1920 L Street N.W., Suite 200, Washington DC 20036. NASFAA is also developing a FAT form that can be used to request only the information needed for midyear transfers. Contact NASFAA for more information on this new form.

Part I of the transcript contains identifying information about the student and may be filled out either by the student or by the requesting (current) school. The student's signature is optional. However, the transcript must include the student's name and SSN.

Part II of the transcript gives the student's financial aid history, as completed by the financial aid office at the prior school. Section A gives information about other schools the student attended. Section B is used when the school isn't providing the student's financial aid history either because the student didn't receive SFA funds at the school or because the record retention period has expired and the records are no longer available. Section C contains several statements regarding the SFA funds received by the student, including outstanding loan balances, repayments owed, and defaults. The school should check all statements that are true for the student in question. Sections D and E are used to report amounts of aid received from the SFA Programs. Section F is the signature block for the school sending the transcript.

FINANCIAL AID TRANSCRIPT

PART I: To be completed by the STUDENT.

Instructions: If you ever attended another postsecondary institution, you *must* complete Part I of this form and submit it to the Financial Aid Office of that institution. Federal regulations require that a Financial Aid Transcript request be sent to *every* institution you previously attended, regardless of whether you received aid to attend that institution.

Name _____ Social Security # _____
Last First M.I. Maiden

Name used at previous institution (if different from above) _____

Student's Address: _____

[] []
[] []

I request that the Financial Aid Office at

_____ which I attended from _____ to _____ provide the information requested in Part II to the institution shown to the left.

I did did not receive aid while a student at this institution.

Student's Signature (optional): _____

(Fold here for window envelope)

PART II: To be completed by the STUDENT FINANCIAL AID OFFICE at the previous institution.

Complete either: • Sections A, B and F; OR
• Sections A, and C through F.

SECTION A Other Institutions Attended. (Everyone must complete this section.)

The institution has information indicating the student attended institutions other than this institution.

- No, our records show no previous institution attended.
 Yes, our records indicate that the student has attended the following institutions: _____

SECTION B To be completed if the institution is not completing Sections C, D, and E.

The information requested in Sections C, D, and E is not provided because:

- The student neither received nor benefited from any Title IV aid while at this institution.
 The transcript pertains solely to years for which the institution no longer has and is no longer required to keep records under the Title IV recordkeeping requirements.

If you have completed Section A and checked one of the reasons in Section B, and are not required to provide any other information, skip Sections C, D, and E, and complete Section F. Otherwise, proceed with Section C.

SECTION C Check all statements that apply.

- The student received increased Federal Perkins Loan/NDSL at this institution due to Expanded Lending Option or study abroad.
 The student had an outstanding balance on an NDSL at this institution on July 1, 1987, which is still outstanding as of today's date.
 The student had an outstanding balance on a Federal Perkins Loan/NDSL at this institution on October 1, 1992, which is still outstanding as of today's date.
 The student owes a refund due to overpayment on a Federal Pell Grant, FSEOG or Federal Perkins Loan/NDSL at this institution.
 The student is in default on a Federal Perkins Loan/NDSL/Income Contingent Loan (ICL) at this institution.
 The institution is aware that the defaulted Federal Perkins Loan/NDSL/ICL has been discharged in bankruptcy.
 The institution knows the student owes a refund due to overpayment on SSIG received for attendance at this institution.
 The institution knows that the student is in default on a Federal Family Education Loan or a William D. Ford Federal Direct Loan received for attendance at this institution (including consolidation loans).
 The institution is aware that the defaulted Federal Family Education Loan or a William D. Ford Federal Direct Loan has been discharged in bankruptcy.
 The student received "additional unsubsidized" Federal Stafford/Federal Direct Stafford/Ford funds at this institution as an independent student or as a dependent student whose parent was unable to borrow Federal PLUS/Federal Direct PLUS.

SECTION D

Assistance Received or Benefited From at This Institution

For ALL federal aid programs: When indicating totals, deduct any refunds, repayments, or Federal Pell Grant recoveries which have been returned due to an overpayment or student withdrawal. Do NOT deduct Federal Perkins Loan/NDSL prepayments or payments made according to a repayment schedule.

| Sources of Assistance | Current Year Amounts 19____-____ | Cumulative Total (include current year) |
|---|-------------------------------------|--|
| Federal Pell Grant: _____ Total Disbursed to Date: _____ | | xxxxxxx |
| _____ Scheduled Award (full time, full year): _____ | | xxxxxxx |
| Does the school expect to make additional disbursements to the student after this transcript is signed? If so, indicate when: _____ | xxxxxxx | xxxxxxx |
| Federal Perkins/NDSL Loans | | |
| SSIG/State Grant/Other aid* (optional – identify each) | | |
| | | |
| | | |

* If this school participates in health professions aid programs through the Department of Health & Human Services, include them here.

SECTION E

Federal Family Education Loans/William D. Ford Federal Direct Loans Borrowed While at This Institution

Column I - list loan period, grade level, and loan amounts borrowed from the Federal Family Education Loan/William D. Ford Federal Direct Loan Program for either the current year, or the academic year immediately preceding the current year (if no loan borrowed during current year). If no loan was borrowed for either of these periods, leave Column I blank.

Column II - list total of ALL Federal Stafford/Federal Direct Stafford/Ford AND Federal SLS/ALAS loans borrowed at YOUR institution.

Both Columns - deduct any refunds or repayments which have been returned due to student withdrawal; do not deduct loan fees.

| Federal Family Education Loans and William D. Ford Federal Direct Loans | I. Current Year Loan (if no current year loan, list loan for immediately preceding academic year, if any) | | | II. Cumulative Total at this Institution (Include Column I amounts) |
|---|--|-------------|-------------------|--|
| | Loan Period* Use mm/dd/yy | Grade Level | Amount Borrowed** | Total Amount Borrowed |
| Subsidized Federal Stafford and Federal Direct Stafford/Ford Loans | from ___/___/___ to ___/___/___ | | | |
| Unsubsidized Federal Stafford and Federal Direct Stafford/Ford Loans | from ___/___/___ to ___/___/___ | | | |
| Federal SLS | from ___/___/___ to ___/___/___ | XXXXX | | |
| Federal PLUS/Federal Direct PLUS | from ___/___/___ to ___/___/___ | XXXXX | | XXXXXXXXXXXXXXXXX |

* Include all loan periods applicable to the same Borrower-Based Academic Year or Scheduled Academic Year.

** Total of all loans from all loan periods applicable to the same Borrower-Based Academic Year or Scheduled Academic Year.

SECTION F

This section must be completed.

Authorized Signature _____ Date _____

Typed Name _____ Title _____

Name of Institution _____

Address _____

Telephone _____

COMMENTS _____

