
Introduction



This volume of the Federal Student Aid Handbook discusses the eligibility requirements for students and parent borrowers and your responsibilities to ensure that recipients qualify for their aid awards.

SOURCES OF INFORMATION

There are many factors that you must consider when reviewing a student's application for aid from the FSA programs, such as whether the student is a U.S. citizen or permanent resident, whether the student is making satisfactory academic progress, and whether the student has a defaulted FSA loan. To answer these questions you receive information about the student from several different sources, including the Department of Education's Central Processing System (CPS) for financial aid applications and the National Student Loan Data System (NSLDS).

Throughout the year the Department provides updates to schools in the form of dear colleague letters (DCLs). These and other releases, such as Federal Register notices and announcements containing system updates and technical guidance, are available on the *Information for Financial Aid Professionals* (IFAP) website (www.ifap.ed.gov).

Schools using software from the Department also receive other materials that explain how the software operates, such as technical references, which are available on the FSA Download website (see the margin). The FSA Handbook doesn't cover the operation of specific pieces of software. Schools using third-party software should consult the vendor's reference materials for technical guidance.

RECENT CHANGES

The Higher Education Opportunity Act (HEOA) of 2008 contained some changes to the Title IV programs that took effect immediately and others that become effective for the 2009–2010 and 2010–2011 award years. This volume contains changes to student eligibility issues through 2009–2010. Changes for 2010–2011 will be covered next year.

On page 5 we described the conditions under which the HEOA permits students with an intellectual disability to receive federal student aid.

Program and systems information online

www.fsadownload.ed.gov

Software:

- Direct Loan Tools
- EDconnect
- EExpress for Windows
- SSCR for Windows

Technical References and User Guides for:

- CPS (ISIR, Summary of Changes, Renewal FAFSA Process Guides, etc.)
- COD
- Electronic Data Exchange
- EExpress Packaging

www.ifap.ed.gov

- Federal Registers
- Electronic Announcements
- Dear Partner/Colleague Letters
- FSA Assessment modules:
Student Eligibility—
www.ifap.ed.gov/qahome/qaassessments/studentelig.html

Satisfactory Academic Progress—
www.ifap.ed.gov/qahome/qaassessments/sap.html

Title IV policy questions

For questions about federal student aid policies, contact the Research and Customer Care Center:

fsa.customer.support@ed.gov or 1-800-4ED-SFAP. When referring students to the Department of Education, please have them call 1-800-4-FED-AID.

On page 6 we included the new alternative to having a high school diploma: completing 6 credits of college classes that apply to a degree or certificate program at the school. Also, we noted that students can self-certify on the FAFSA that they were homeschooled.

We received feedback that having SAP guidance in both this volume and Volume 2 was confusing. We therefore consolidated the guidance and placed it on pages 10–13. We also added margin notes about grades for test-based credits, completing a program but not yet having a degree, and retaking a program.

On the top of page 14 we changed the minimum enrollment status requirement for ACG/SMART from full time to half time.

We explained on page 16 the new requirement schools have to notify students who become ineligible for aid due to a drug conviction.

There are a couple changes to the citizenship chapter. On page 23 we added a paragraph about the new passport card, which is acceptable identification for U.S. citizenship. In the margin of page 31 we tell schools to continue to use the G-845 form reproduced in the chapter, which we have also been including in our online (at www.ifap.ed.gov) updates regarding secondary confirmation of students.

Occasionally we receive an inquiry about students who are minors signing a promissory note to receive a Title IV loan. Under HEA law, such students do not have a defense of infancy to allow them to not repay the loan. We included a margin note about this on page 51 of Chapter 3. At the end of the chapter we added two new loan status codes to the chart: FX and PZ.

In Chapter 6 we accounted for the changes in the ACG and National SMART programs due to the ECASLA, such as the allowance that students can now be enrolled less than full (but at least half) time.

There are several additions to Chapter 7. There is a new paragraph on page 75 stating that students with a master's degree are ineligible for Pell grants. On page 76 we note that students who lost a military parent or guardian in Iraq or Afghanistan can receive a zero EFC, that students who are sex offenders lose eligibility for Pell if under an involuntary civil commitment, and that there is now an aggregate Pell limit for students who first received the grant on or after July 1, 2008. In the margin of page 79 we mention the temporary waiver of a PLUS denial for some borrowers. There is a new section on LEAP grants as part of state grants on page 83. Homeschooled students may now receive Byrd scholarships; see page 84. We expanded the guidance on TEACH grants based on the regulations released after last year's Handbook.

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