

January 4, 2007

OSFA/FFELP #06-07:09

Dear Student Loan Participant:

On November 16, 2006, the *Common Manual* Governing Board approved two proposals from Batch 135 to modify the *Common Manual*. The changes will be incorporated into the *Common Manual* with the publication of the next annual update. Enclosed are the following updates:

- **Effects of Consolidation Loan on New Stafford Loan Eligibility**
- **Unpaid Refund**

For further information you may contact me at (850) 410-6846 or e-mail at reitha.scott@fldoe.org.

Sincerely,

Reitha Scott, Policy Manager
Office of Student Financial Assistance

COMMON MANUAL UPDATES

Effects of Consolidation Loan on New Stafford Loan Eligibility

The *Common Manual* has been revised to reflect a change in the treatment of the unallocated amount of a Consolidation loan by the National Student Loan Data System (NSLDS). The unallocated amount of a Consolidation loan is no longer included in the aggregate subsidized, unsubsidized, and outstanding principal balances on NSLDS. In addition, the financial aid administrator is no longer required to investigate whether an unallocated amount might impact a student's eligibility for additional Stafford loans, unless the school has information that conflicts with NSLDS data. If the school has conflicting information at the point at which it is certifying the loan, the school must resolve the conflict and must include the result of that resolution in the school's calculations regarding the student's eligible loan amount. The school is not required, at the point of loan delivery, to double-check NSLDS to determine if the financial aid history has changed. If, however, the school obtains conflicting information that may affect the student's eligibility in the interim between the loan certification and the deliver of funds, the school is required to resolve the conflicting information and adjust the loan amount, if necessary.

Affected Sections: 6.11.G Effect of Consolidation Loan on New Stafford Loan Eligibility.

Effective Date: January 2006.

Basis: DCL GEN-96-13, Q&A #13 and #14; NSLDS Newsletter Number 11, February 2006.

Policy Information: 908/Batch 135

Guarantor Comments: None.

COMMON MANUAL UPDATES

Unpaid Refund

The *Common Manual* has been revised to reflect that a borrower is no longer required to submit a separate sworn statement of declarations along with the Loan Discharge Application: Unpaid Refund form because the application includes that sworn statement of declarations.

Affected Sections: 13.8.F Unpaid Refund.

Effective Date: Retroactive to the approval of the common Loan Discharge Application: Unpaid Refund.

Basis: Loan Discharge Application: Unpaid Refund.

Policy Information: 910/Batch 135

Guarantor Comments: None.